



CONFIDENTIAL CORPORATE MEMORANDUM

Creative Marketing Solutions, Inc.

Asking Price: \$12,000,000

THE BUSINESS BROKERAGE AGENCY
M&A Intermediary: Mr. John Doe CBB, CBI, M&AMI
SW 2nd Street, Miami FL 33130
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E. john@tbba.com | www.tbba.com

This Confidential Corporate Memorandum is provided to prospective Buyers subject to the terms and conditions of the Disclaimers and Notices contained herein. This document has been prepared by the Marketing Department of The Business Brokerage Agency under the supervision of the Brokerage Principal, Ms. Jane Doe. CONFIDENTIAL AND COMMERCIALY SENSITIVE.



**THE SECRET TO
SUCCESS
IS HAVING THE
COURAGE
TO EMBRACE
OPPORTUNITY**

WELCOME MESSAGE

DEAR READER,

My name is John Doe and I am a Mergers & Acquisitions Intermediary for The Business Brokerage Agency – Miami. I specialize in the sale of professional service businesses that have been valued between US\$10M and \$50M. With extensive experience in owning and developing several such businesses myself, I am well rounded in working in this sector. Throughout the years, I have assisted business sellers with their exit strategy in several industries including Industrial, Retail, Transportation, Hospitality, E-Commerce, Medical Practices, Professional Services, and more.

On behalf of the entire team at The Business Brokerage Agency, I am pleased to present Prospective Investors with a truly outstanding acquisition opportunity: *Creative Marketing Solutions Inc.*

Our marketing department has prepared this Confidential Corporate Memorandum in order to provide the reader with a strong overview and understanding of the multiple facets of this exciting business.

However, it is important to point out that the purpose of this document is not to provide the reader with all details pertaining to this - this will come in two additional stages: the first being the “Business Inspection” when the reader will have the opportunity to see the business and have an informal meeting with the owners to ask further questions.

Following this, if a “Conditional Offer” is forthcoming, the reader will be able to conduct a Due Diligence with the assistance of a qualified professional to review all relevant information. In any event, we hope you will find this Confidential Corporate Memorandum both informative and comprehensive. After reading it we invite you to contact us to discuss it further and schedule a Business Inspection.

Yours Sincerely,

John Doe



JOHN DOE CBB, CBI, M&AMI
Mergers & Acquisitions Intermediary

THE BUSINESS BROKERAGE AGENCY
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United States 33130

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Email: john@tbba.com
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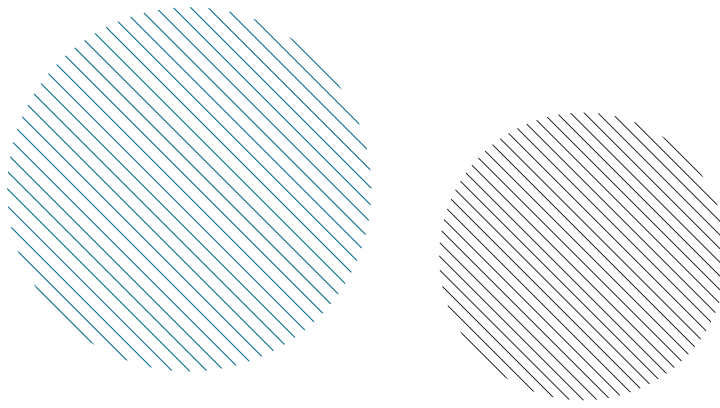


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GENERAL DISCLAIMER

The information presented in this Confidential Corporate Memorandum is highly sensitive and confidential and is for use only by those who have signed a Confidentiality Agreement for the purpose of considering the business described herein as an acquisition.

This Confidential Corporate Memorandum and the information presented shall be treated, as secret and confidential and no part of it shall be disclosed to others, except as provided in the Confidentiality Agreement, nor shall it be reproduced, duplicated, or revealed, in whole or in part, or used in any other manner without prior written permission.

Should there be no interest in the business as an acquisition, the Confidential Corporate Memorandum and all information shall be promptly destroyed or returned to The Business Brokerage Agency

The statements and financial information related to the subject business set forth in this Confidential Corporate Memorandum are based solely on information supplied by the Seller(s) of the business to The Business Brokerage Agency - and The Business Brokerage Agency, its directors, officers, contractors and employees hold no belief as to the accuracy or otherwise of such information supplied.

The statements and financial information are passed on by The Business Brokerage Agency via this Confidential Corporate Memorandum on behalf of the Seller for whom The Business Brokerage Agency acts solely as agent.

Accordingly, The Business Brokerage Agency, its directors, officers, contractors and employees do not and cannot warrant or guarantee the accuracy of such statements and financial information relating to the business, and they accept no responsibility in any way whatsoever in respect to any errors or omissions in respect of such statements and financial information

howsoever caused. The Business Brokerage Agency strongly recommends that any prospective buyers of the business seek their own independent legal, accounting, technical and financial advice and make their own inquiries and conduct their own due diligence of the business.

Each and every opinion or recommendation that The Business Brokerage Agency has set forth in this profile is held by The Business Brokerage Agency, its directors, officers, contractors and employees in good faith and on the basis the information supplied by the Seller of this business is accurate at the time of writing this profile, and each and every opinion and recommendation set forth in this profile is held, made or stated on the following conditions:

- The Business Brokerage Agency makes no invitations to any person to rely on any such opinion or recommendation;
- The Business Brokerage Agency accepts no responsibility of any person should The Business Brokerage Agency its directors, officers, contractors or employees become aware of any change to or accuracy in the information supplied by the Seller on which the opinion or recommendation is based;
- The Business Brokerage Agency shall not be under any liability for loss or damage howsoever occasioned as a result of any reliance by any person any such opinion or recommendation, whether or not such loss or damage was due to any negligence, default, or lack of care by The Business Brokerage Agency its directors, officers, contractors or employees;

Important Note:

By accepting this Confidential Corporate Memorandum and proceeding with its reading and analysis, the recipient acknowledges being in agreement with all terms and conditions set forth in the General Disclaimer above.

FINANCIAL DISCLAIMER

The Financial Information contained herein and in the document "Profit & Loss Analysis" has been reproduced using information provided to The Business Brokerage Agency by the Seller.

The Business Brokerage Agency has not verified the accuracy of these records and therefore cannot and do not make any representation as to their accuracy. The Buyer(s) and/or their accountant/financial advisers should make their own inquiries.

In the event that a Buyer is told or otherwise led to believe by any parties that the takings in the business exceeds those records lodged with the IRS, The Business Brokerage Agency expressly dissociate ourselves with any such representation and would strongly suggest that the Buyer and/or their accountant or financial advisers disregard any such representation and have regard only to the records disclosed to the IRS - subject to our previous warning that we cannot and do not vouch for them.

Add-Back Adjustments presented in this Confidential Corporate Memorandum are estimations only and are neither comprehensive nor complete - further investigation on these is necessary.

These numbers should serve as a guide only during the Inquiry Process and should not be used in the Due Diligence process - rather, the Financial Statements produced by their Accountants should, in conjunction with:

- Company Tax Returns;
- IRS Portals;
- Statements from the business' internal accounting software;
- Invoices;
- Receipts;
- Any other supporting documentation that the Buyer and/or their accountants or financial advisers deem appropriate and relevant.

All Numbers and Information have been provided in good faith, and while it is our belief these are true & accurate, it is the responsibility of any Potential Buyer to verify all information provided with the assistance of a qualified professional. The Agency strongly recommends all Potential Buyers take this course of action.

Important Note:

By accepting this Confidential Corporate Memorandum and proceeding with its reading and analysis, the recipient acknowledges being in agreement with all terms and conditions set forth in the Financial Disclaimer above.

NON-DISCLOSURE AGREEMENT

In consideration of the Seller providing through The Business Brokerage Agency, this Confidential Corporate Memorandum containing financial and any other information relating to the business, ("Confidential Information") to the Recipient, the Recipient acknowledges the Confidentiality of the Information and the potential damage to the Seller and the business of a breach of confidentiality, and undertakes:

- To keep the Confidential Information;
- To use the Confidential Information solely for the purpose of evaluating the opportunity to buy the business from the Seller, and for no other purpose;
- Not to use or allow the use of the Confidential Information to be used to gain any advantage to the Recipient or any other party;
- Not to allow the use of the Confidential Information to disadvantage the Seller or the business;
- Not to disclose the Confidential Information other than to professional advisors, directors or employees of the Recipient who have agreed to be bound by this Confidentiality Agreement, and who undertake to maintain strict security over the Confidential Information, and where the Recipient is acting on behalf of its client, the client also agrees to be bound by this Confidential Agreement;
- To return all Confidential Agreement and related notes or copies thereof upon request by the Seller or The Business Brokerage Agency;
- Not to communicate directly or indirectly the Recipient's interest in the business offered by the Seller, with any customers, suppliers or employees of the business or the Seller;
- Not to disclose to any party (other than those mentioned above), that discussions have been held in relation to the Seller, the business or the opportunity to buy the business;

The Recipient makes this undertaking in favor of The Business Brokerage Agency and the Seller, and both parties undertake to keep the Recipient's interests confidential.

In the event the Recipient eventually buy the said business, whether as an individual, company or partnership privately, through another agent or any other source, the Recipient undertakes to compensate The Business Brokerage Agency for any damages and/or loss of commission.

The Confidential Corporate Memorandum and other information is provided by The Business Brokerage Agency on the instructions of the Seller/s of this business and has been prepared from information supplied by the Seller/s and their Accountants. The Recipient acknowledges that this information is further provided on the basis that the contents are accurate and correct. However, The Business Brokerage Agency and its management and officers disclaim any express or implied warranty thereto.

By accepting this Confidential Information Memorandum and proceeding with its reading and analysis, the recipient acknowledges being in agreement with all terms and conditions set forth in the Non-Disclosure Agreement above.

ACKNOWLEDGEMENT BY SELLER

I, Mr. Joseph Smith, Owner and Seller of "Creative Marketing Solutions" located at 4847 Sandy Glen Way, Wimauma, FL 33598, USA hereby state and declare that I have instructed The Business Brokerage Agency to prepare this Confidential Corporate Memorandum.

Furthermore, I hereby confirm that all the information contained herein is true and accurate, at the time of the writing of this document, to the very best of my knowledge and has been provided to The Business Brokerage Agency by myself in good faith.

Should any significant changes to the business and/or its operation and/or financials occur during the sale process, that may contradict or change any of the information contained herein, I commit myself to promptly advising The Business Brokerage Agency in writing accordingly.

I would expect any Prospective Buyer to seek professional advice prior to making a decision in regards to the acquisition of this business.

Signed:

Joseph Smith

01/08/2021

BUYER EDUCATION

The purchase of a business is one of the most daunting and complex endeavors that an investor can undertake.

It is a multi-faceted process that presents a number of challenges, even to the most experienced Purchaser.

Unprepared or hasty decision-making can lead to capital loss. Therefore, it is imperative to have a support system set up to advise and guide you throughout the process.

Business Intermediary Services, Ltd. acts in a responsible fashion in order to assure the legitimacy of each purchase and the satisfaction of Seller and Buyer alike.

Our Brokers have wide-ranging industry knowledge and are not interested in leading Purchasers towards any investment that they do not believe to be adequate.

As such, we always advise Purchasers to carefully consider their options and always act on the side of caution by taking the points below into careful consideration:



RESEARCH & ANALYSIS

Purchasers are urged to take their time and undertake careful research and analysis of different aspects of the business - not solely financial. Businesses tend to be multi-layered and layers tend to have their own set of particularities to be analysed.



SKILLS & EXPERTISE

Considering realistically one's set of skills and expertise is another crucial factor when reviewing the compatibility of a business - it is important to acknowledge one's limitations and to consider whether or not these can be detrimental to the running of the business and whether they can be overcome through training.



FINANCIAL CRITERIA

This is generally the primary factor that guides investment decisions. Purchasers must consider more than just numbers on a page, but also analyse trends and other external factors such as dependency on any single customer or supplier, among others.



INDUSTRY SECTOR

Purchasers ought to take into consideration whether this industry is one that has presented growth, decline or stability and whether this industry is at risk of any destabilizing influence that may affect overall performance.



ADDITIONAL CONSIDERATIONS

There are a myriad of additional factors that must be taken into consideration - including geographic location, the history of the business, competition, security of lease, reason for sale as well as whether the pricing is justifiable.

EXECUTIVE SUMMARY



BUSINESS NAME

Creative Marketing
Solutions, Inc.



ADDRESS

4847 Sandy Glen Way,
Wimauma, FL 33598,
USA



HISTORY

Established July 2000



TRADING HOURS

Monday to Friday
8.00am to 5.00pm,
No Weekends



REASON FOR SALE

Sellers wish
to enter into
retirement



STAFF

178 Staff Members



INCOME

\$26,378,706
(F.Y. 2020)



PROFITABILITY

Net Earnings: \$3,207,777
EBITDA: \$3,708,093
SDE: \$4,276,395
(F.Y. 2020)



ASKING PRICE

\$12,000,000



INVENTORY VALUE

\$200,000
approximately
(included in Sale
Price)



FF&E VALUE

\$1,883,000
approximately



R.O.I. RATE

35.64%
Return on Owner's
Investment

KEY ACQUISITION HIGHLIGHTS

01

OPPORTUNITY

Exceptional acquisition opportunity for current media owners and/or marketing advertising agencies to expand their creative portfolio offering with a thriving turnkey solution.

02

FULLY MANAGED

The business is run predominantly by a competent and well-trained team, including a manager.

03

WELL ESTABLISHED

This business was started over 20 years ago by the present owner.

04

FIXED CONTRACTS

Currently has fixed, long-term contracts with top universities in Miami.

05

SPECIALIZED STAFF

A full complement of highly-specialized staff including digital strategists, layout artists, graphic designers, and content marketers.

06

HIGH PROFIT

High-profit margins, revenue above \$25,000,000.

07

UNIQUE SERVICES

Unique creative services offering specifically tailored to universities and blue-chip clients.

08

LOW OVERHEADS

The primary expense categories in the business financials are Wages & Salaries - with operational and administrative costs kept at a minimum.

09

STRONG BRAND

Well-established and highly recognizable brand in the Florida marketplace, with a stellar reputation as evidenced by a myriad of positive customer reviews.

10

CERTIFIED AGENCY

HubSpot Gold Certified Agency Partner differentiating itself from other agencies.

11

FULLY MANAGED

A flexible business model that ensures it can meet its revenue targets even during a subdued economy.

12

FULLY EQUIPPED

State-of-the-art equipment and video production studios.

KEY ACQUISITION HIGHLIGHTS

13

TIER-1 CLIENTS

Servicing Tier-1 clients, including state-owned enterprises, government, tertiary education, and major corporate companies.

18

UTILIZING HUBSPOT

Utilizes HubSpot as an Inbound CRM, with phenomenal results.

14

RECURRING CLIENTS

Recurring revenue of \$ for clients on retainer service contracts.

19

ORGANIC GROWTH

Utilizes paid and inbound marketing to drive consistent organic growth, with stellar results in terms of client acquisition.

15

TOP TECHNOLOGY

Pioneering technology that enables a first-to-market role in an expanding niche industry segment.

20

BRAND TECHNOLOGY

Incredible opportunity to leverage the brand's technology and continue the traction it has gained in terms of client acquisition and technological advancements.

16

WHITE LABEL

Ability to white label videos and platforms for clients, which increases monthly revenue.

21

SMOOTH PROCESS

Highly motivated sellers will avail themselves to the new owner to ensure a smooth transition process.

17

AWARD WINNING

Specialist and award-winning team with a collective experience of 40 years.

BUSINESS OVERVIEW

The Business Brokerage Agency is pleased to introduce prospective buyers to an outstanding acquisition opportunity: Creative Marketing Solutions, Inc.

The development and use of video as part of a marketing strategy for companies in any industry has gained a significant amount of traction in recent years. The key to this emergence lies in their ease of engagement with leads and targeted customer markets across a broad range of content verticals and media channels. With the world as hyper-connected as it is, the ability to attract and retain customers has become the primary mechanism of survival for businesses. And, it's the companies that can deliver this boutique range of services that will emerge as winners.

As studies and surveys indicate, video is the top medium to have 'a non-sales conversation' with your prospects. The reason for this is that it doesn't come across as pushy, instead, it makes the viewer comfortable and ultimately leads to brand trust. Studies have shown that companies who utilize video in their marketing arsenal are more likely to convert their prospects faster than those companies who don't.

The Internet has exploded - and customers' attention span is getting shorter and shorter. Add to this the influx of emailers, newsletters, social media posts, whitepapers, paid advertising and it quickly becomes clear that unless companies differentiate their brands using conversational marketing, the likelihood of attracting new clients diminishes with each website click. Videos can capture the value of your brand proposition quickly and assist customers in their decision-making process. The entire process helps to position brands and highlight their unique selling propositions.

Currently, the global forecast predicts that the average American will watch 100 minutes of online videos per day in 2021. When these marketers were interviewed, 88% said that video

marketing provides a distinctive Return on Investment (ROI) in respect of their acquisition and marketing strategy respectively. With 75 million Americans engaged in some form of video watching each day, it is clear that video marketing offers the significant potential that savvy entrepreneurs should capitalize on.

Creative Marketing Solutions offers a myriad of video content, marketing, and production for clients desirous of engaging with their target audiences with specific outcomes. This is largely because mass advertising is not nearly as effective as it used to be and to remain competitive, companies need to find innovative ways not only to reach their clients but to retain them as well. Creative Marketing Solutions has made significant investments in technology and building a team of expert content marketers, video production specialists, digital strategists, animators, and designers.

This has been consciously done with the view to increase their offering as it relates to experiential, entertainment, awareness, and viral marketing via video production. With peer review, user-generated content, company messaging has been reduced to a small fraction of the total marketing conversation. It's the audience who sets the tone for how they wish to be marketed to and in response, Creative Marketing Solutions has assisted and continues to assist, a plethora of companies to shift gears to a future-forward marketing conversation.

With video marketing, Creative Marketing Solutions can offer its clients a high level of personalization with niche conversations based on in-depth data analysis, consumer behavioral research, human-centered design thinking, and big data. This has enabled Creative Marketing Solutions to help its clients move from company-first monologues to customer-centric dialogues.

Video statistics and performance can be easily measured and adapted for efficacy and reach with a few tweaks unlike with previous above-

BUSINESS OVERVIEW

the-line advertising that is 'locked in' once a concept has been approved. In this way, Creative Marketing Solutions can identify areas of improvement for its clients and in doing so, offer retainer contracts for ongoing support as well as can measure client profitability and customer lifetime value due to its flexible yet robust business model and pricing structure.

Creative Marketing Solutions is the ideal strategic fit for an established media, marketing, or advertising company that seeks to expand its offering with a niche turnkey offering. Its service suite offers synergistic value to companies operating within these industry segments in that it has a well-established and niche clientele and offers a differentiated, established, and highly sought-after proprietary technology that is suited to Tier 1 clients across both state-owned and corporate sectors.

Creative Marketing Solutions is a HubSpot Gold Certified Agency Partner. This has resulted in a diverse revenue stream acting as a digital marketing partner to companies that require specialist inbound marketing solutions. The company also can white label videos and its platform for various clients which also generates additional and recurring revenue. With a sizeable content repository, there is a distinct opportunity to sell 'off-the-shelf' content to existing video production companies or corporate clients.

The company is renowned for its expertise in the field it operates in and is fully supported by a team of specialists each bringing their creative skillset to the team. With the team's diverse capabilities there is a distinct opportunity for the company to expand its offering as the know-how already exists in house.



BUSINESS OVERVIEW

The business has demonstrated its capabilities over 20 years with market-leading success and numerous accolades and awards. With a growing list of clients in the government, corporate, and small business sectors, the company is poised for phenomenal growth in the next few years and beyond, with increasing revenues attesting to this. It has established itself amongst its clients as the quintessential partner for video production, animation, content marketing, and digital storytelling.

The business has fostered a first-grade culture with most of the employees having been employed at the company since its inception. The company closes for three to four weeks each year in lieu of promoting a healthy work environment that lends itself to true work-life balance.



BUSINESS HISTORY



Established in Miami in 2000, Creative Marketing Solutions has grown from strength to strength to become Miami's quintessential animation and video production studio.

The current business owners, renowned marketers, and creative in their respective fields identified the need for video content in universities as an alternative to theory-based learning material. Based on various research, they discovered the direct correlation between learning retention and the ability to recall information when visuals are used.

After much deliberation and discussion, in 2000, the current owners started the business supported by and 10 staff members creating screencast demo videos for a small group of clients, mainly universities in Miami.

The entry into this market although a niche market as a boutique agency was something that was new to the current owners as both hail from senior and executive leadership roles in Miami's top advertising and marketing firms working on some of the world's most iconic accounts.

BUSINESS HISTORY

Owner #1 has a background in video production with specialist skills in content marketing and visual communications, while Owner #2 is a digital marketing specialist and copywriter.

The business expanded almost instantaneously once clients realized the value of visual communications specifically video animation. Between 2001 and 2008, the business entered into another growth spurt and expanded greatly through aggressive marketing and word-of-mouth client referrals. The company's paid advertising efforts also achieved phenomenal growth and this led to sustained organic growth. As a result, the company acquired 10 more university and educational clients together with a few niche corporate clients, adding 40 more staff members to their highly skilled workforce. It was during this time that the company also acquired its first three clients specifically seeking animation and production services. It was then when the company strategically collaborated with freelance and in-house visual artists, graphic designers, animators, special effects creative and video editors creating impression animated content and award-winning commercials for television.

As the business continued to grow, the company relocated its premises as the need for a fully set-up and equipped studio beckoned. It relocated to its current premises to support its client and studio demands as well as factored in the forecasted future growth of the clientele and the workforce. The current space at the time was identified as having the right mix of space and to support this growth trajectory.

Between 2008 and 2014, the company continued its success by acquiring clients across the government and the private sector and made significant investments into its animation offering. To this end, it employed an additional 30 animation experts to assist with the growing demand for this service by its clients. At this time, it also invested into substantial R&D and as a result, conceptualized and designed

proprietary technology that would position the company in the eyes of its clients as the top supplier of animation and content production. It was a platform that would unwittingly unlock a completely different revenue stream.

Between the years of 2014 and 2018, the company added premium blue-chip clients to its client base and began creating interactive and personalized videos, short film social change videos, and brand videos. They were awarded several times for their creativity and ingenuity in these specialist areas. During this time they also partnered with several niche content providers with established distribution networks to disseminate and sell inventory video footage and images as part of their drive to diversify their income.

In 2019 Creative Marketing Solutions was named 'Distinguished Agency' at the coveted Horizon awards. The company regarded this recognition as a sign of its next growth stage and rapidly expanded its offering into Augmented Reality and Virtual Reality.

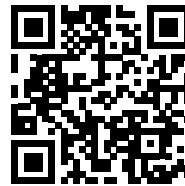
ONLINE PRESENCE

The business has an established digital footprint and applies its marketing prowess to their website using the principles of User Experience (UX) and User Interface (UI) design.



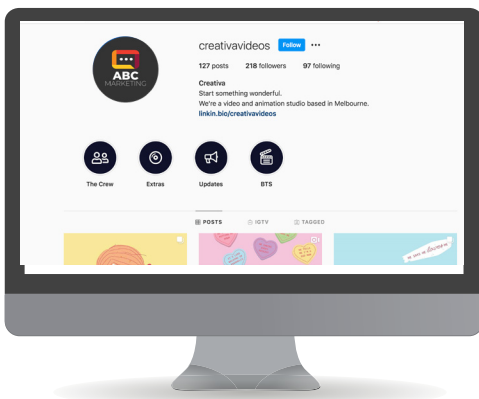
BUSINESS WEBSITE

Link: <https://www.creativemarketing.com>



FACEBOOK

Link: <https://www.facebook.com/ABCMarketing>



INSTAGRAM

Link: <https://www.instagram.com/abcmarketing/>



BUSINESS REPUTATION



GOOGLE REVIEWS

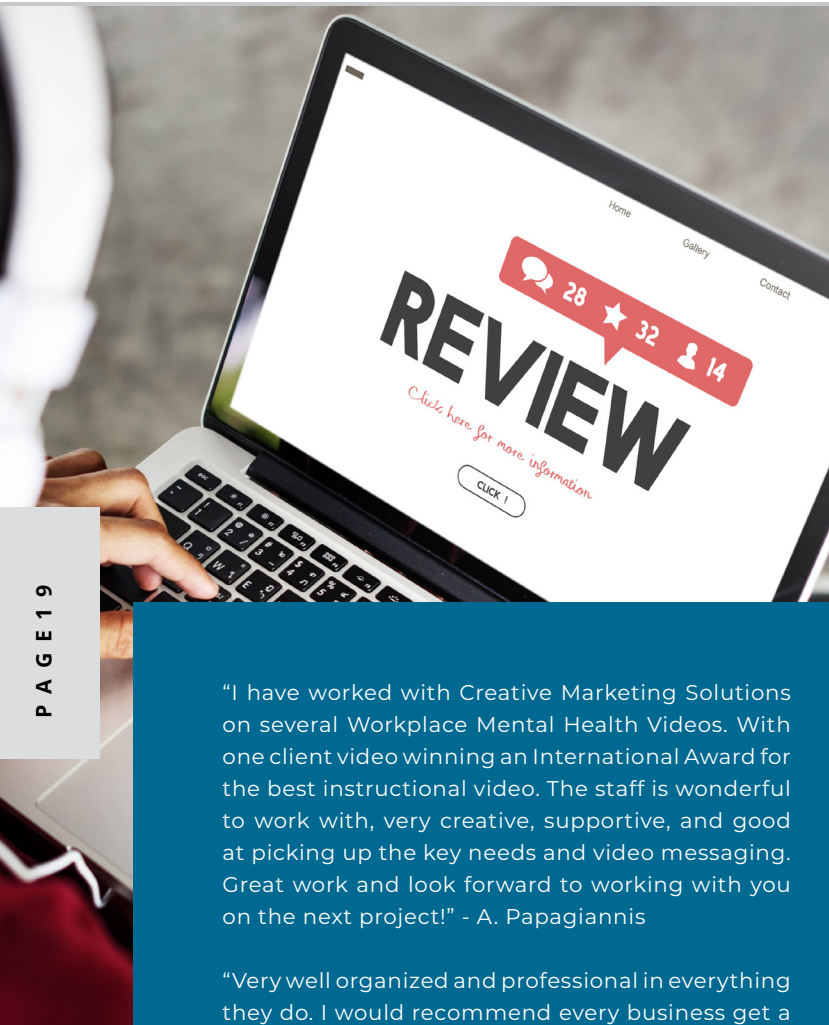


Rate: 4.9 Stars based on
5 Google Reviews

"The team at Creative Marketing Solutions is extremely professional. In my experience, the staff takes the time to work with you to ensure that any videos completed meet all of your needs even if it requires spending more time to get it right than originally anticipated. I would highly recommend them for any video production. Excellent quality and customer service." - T. Maree

"Creative Marketing Solutions has produced two fantastic videos for us. The staff have been extremely obliging and have offered a fantastic service well after the end of production. I would highly recommend them." - M. Meyer

Creative Marketing Solutions has cultivated a superior brand reputation amongst its clients, delivering top-tier work that its clients highly recommend and are exceptionally impressed with. Their client reviews and ratings demonstrate this.



"I have worked with Creative Marketing Solutions on several Workplace Mental Health Videos. With one client video winning an International Award for the best instructional video. The staff is wonderful to work with, very creative, supportive, and good at picking up the key needs and video messaging. Great work and look forward to working with you on the next project!" - A. Papagiannis

"Very well organized and professional in everything they do. I would recommend every business get a video made for their business - and get Creative Marketing Solutions to do it." A. Vincent

"Best Videos and Animation studio in Miami." - M. Ruiz

"What this team can produce is extraordinary and their creativity is astounding! We have engaged them on several projects and they always make our business units look crisp, current, and compelling. If you're reading this - Creative Marketing Solutions is your solution." - A. Gasper

BUSINESS TIMELINE

**July
2000**

The current owners started the business supported by and 10 staff members creating screencast demo videos for a small group of clients, mainly universities in Miami.

**2001-
2008**

The company acquired 10 more universities and a few niche corporate clients. It hired an additional 40 staff members to boost capacity on these projects. It also acquired its first three clients for animation and production. During this time, while the company grew, they collaborated with visual artists, graphic designers, animators, special effects creative and video editors creating impression animated content and award-winning commercials for television.

**2008-
2014**

The company acquired a litany of top tier clients across government and the private sector, each brief more complex than the next. It was then that the company began with 'heavy' animation and started employing approximately 30 additional expert animators to assist with video explainers, branding videos, training videos, and started working with voice-overs and actors.

**2014-
2018**

The company added several new blue-chip accounts to its ever-growing client list and started creating interactive and personalized videos, short film social change videos, brand videos – all categories winning them coveted industry-revered awards. It employed an additional 20 staff members. It conceptualized and designed proprietary technology that would secure monthly revenue and position itself as a pioneer in animation and content production.

**2018-
2020**

The company was named Distinguished Agency at the Horizon awards and continued on its successful journey to acquire more blue-chip clients. The company deepened its explainer video offering and expanded to Augmented Reality and Virtual Reality to keep its content relevant. In line with the latest digital trends its employed a specialist digital team comprising UX, UI content writers, digital strategists, visual designers, etc.

PRODUCT RANGE

The current markets Creative Marketing Solutions serves include Government (Federal and State), financial institutions, universities, healthcare industry, aged-care industry, the insurance industry, and medium- to large-sized companies.

Creative Marketing Solutions helps companies achieve their strategic business and marketing objectives using video as a medium. The company does this by establishing its clients' brands as an authority in their niche areas by providing content that solves problems and drives education on various subject matters related to that expertise.

It assists their clients establish their brands as thought leader brands with specific ROI outcomes driving authenticity and transparency. Creative Marketing Solutions also creates high-value video content to introduce new products, generate leads, drive audience engagement, boost sales, or launch campaigns as part of an integrated, holistic marketing strategy for its clients.

The following are the services within Creative Marketing Solutions's service offering:

PAGE 21



01
ANIMATED EXPLAINER VIDEOS



02
LIVE-ACTION TRAINING VIDEOS



03
IMMERSIVE VIDEO EXPERIENCES



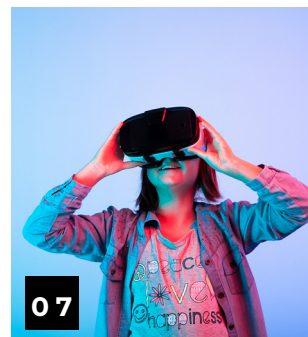
04
DYNAMIC CUSTOM VIDEOS



05
360-DEGREE VIDEOS



06
AUGMENTED REALITY



07
VIRTUAL REALITY



08
NOT-FOR-PROFIT

S
E
R
V
I
C
E
S



SOCIAL MEDIA



GOVERNMENT
VIDEOS



EVENTS



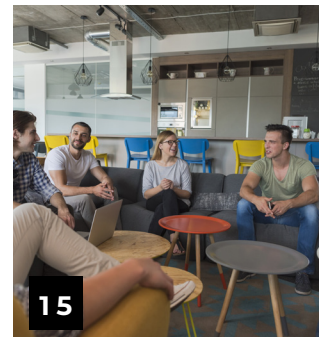
BRAND CONTENT



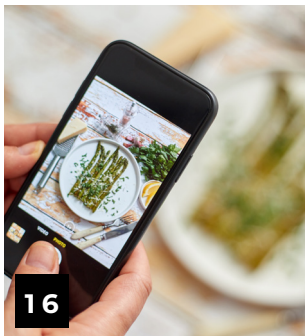
PRODUCT LAUNCH



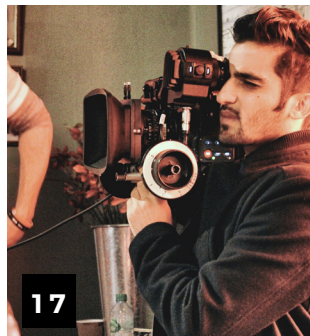
GAME TRAILERS



START-UPS



PROMOTIONAL



TV COMMERCIALS



These categories are offered across Education, Explainer, Interviews, Roleplay, Presenter, Screen Capture, Personalised and Corporate Training.

HOURS OF OPERATION



“Creative Marketing Solutions operates within a five-day workweek; from Monday to Friday. Below are the general trading times for the business’ operations:”

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DAY	HOURS
Monday	9:00 am - 5:00 pm
Tuesday	9:00 am - 5:00 pm
Wednesday	9:00 am - 5:00 pm
Thursday	9:00 am - 5:00 pm
Friday	9:00 am - 5:00 pm
Saturday	Closed
Sunday	Closed
Public Holidays	Closed



“Using digital storytelling and superior video content production, we’re able to deliver succinct, entertaining video content that achieves our clients’ strategic marketing objectives.”

BUSINESS OWNERSHIP

OWNERS' PROFILE

OWNER #1, DIRECTOR

Owner #1 is a qualified video production manager with specialist skills in content marketing and visual communications. He has previously held senior positions at Miami's top marketing and advertising agencies, where he worked on blue-chip brands including McDonald's, Ford, and Bank of America.

OWNER 2, DIRECTOR

Owner #2 is a digital marketing specialist having worked at Miami's most revered digital agencies. In addition to a full spectrum of skills including being a Certified Google Ads Analyst, he is also a qualified copywriter and strategist having worked in above-the-line and through-the-line digital and print campaigns for Mercedes-Benz, Burger King, and StarBucks.

OWNERS' ROLE

Owner #1 is responsible for the Sales and Marketing departments of the business specifically relating to client acquisition, onboarding, and creative assets.

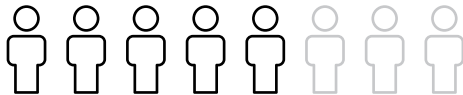
Owner #2 is responsible for the Finance, Sales, and Production departments of the business, where he in conjunction with the accounting firm, sales team, and production departments ensures the smooth running of the daily operations.

HOURS

OWNER'S HOURS

Owner #1 - Monday to Friday, 9.00 am to 05.45 pm

Owner #2 - Monday to Friday, 9.00 am to 05.45 pm



REASON FOR SALE & POST-SETTLEMENT TRAINING

The Sellers originally set up the business in 2000 to build a recognized brand in this niche sector. They are of the view in light of the financial track record and brand reputation, that they have achieved this objective.

In terms of a transition period, the Sellers are happy to avail themselves for a smooth transition process for an agreed period with a new owner, and are happy to handover and provide all future ideas to the new owner for possible implementation.

STAFF SCHEDULE

CREATIVE MARKETING SOLUTIONS IS FULLY STAFFED BY COMPETENT AND LOYAL TEAM MEMBERS. BELOW IS THE SCHEDULE FOR MOST WEEKS.

STAFF	ROLE	STATUS	BASE SALARY	BENEFITS
1.	ANIMATION/EDITING	Part-Time (3.25 Days PW)	\$33,800	\$3,211
2.	PRODUCER	Full-Time	\$78,000	\$0
3.	SCHEDULER	Part-Time (2 Days PW)	\$40,000	\$0
4.	CREATIVE	Full-Time	\$75,000	\$7,125
5.	CREATIVE	Full-Time	\$75,000	\$7,125
6.	CREATIVE	Full-Time	\$75,000	\$7,125
7.	CREATIVE	Full-Time	\$75,000	\$7,125
8.	CREATIVE	Full-Time	\$75,000	\$7,125
9.	CREATIVE	Full-Time	\$75,000	\$7,125
10.	CREATIVE	Full-Time	\$75,000	\$7,125
11.	CREATIVE	Full-Time	\$75,000	\$7,125
12.	CREATIVE	Full-Time	\$75,000	\$7,125
13.	CREATIVE	Full-Time	\$75,000	\$7,125
14.	CREATIVE	Full-Time	\$75,000	\$7,125
15.	CREATIVE	Full-Time	\$75,000	\$7,125
16.	CREATIVE	Full-Time	\$75,000	\$7,125
17.	CREATIVE	Full-Time	\$75,000	\$7,125
18.	CREATIVE	Full-Time	\$75,000	\$7,125
19.	CREATIVE	Full-Time	\$75,000	\$7,125
20.	CREATIVE	Full-Time	\$75,000	\$7,125

STAFF SCHEDULE

STAFF	ROLE	STATUS	BASE SALARY	BENEFITS
21.	CREATIVE	Full-Time	\$75,000	\$7,125
22.	CREATIVE	Full-Time	\$75,000	\$7,125
23.	CREATIVE	Full-Time	\$75,000	\$7,125
24.	CREATIVE	Full-Time	\$75,000	\$7,125
25.	CREATIVE	Full-Time	\$75,000	\$7,125
26.	CREATIVE	Full-Time	\$75,000	\$7,125
27.	CREATIVE	Full-Time	\$75,000	\$7,125
28.	CREATIVE	Full-Time	\$75,000	\$7,125
29.	CREATIVE	Full-Time	\$75,000	\$7,125
30.	CREATIVE	Full-Time	\$75,000	\$7,125
31.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
32.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
33.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
34.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
35.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
36.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
37.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
38.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
39.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
40.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
41.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$33,800	\$3,211
42.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$33,800	\$3,211
43.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$33,800	\$3,211
44.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$33,800	\$3,211

STAFF SCHEDULE

STAFF	ROLE	STATUS	BASE SALARY	BENEFITS
45.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$33,800	\$3,211
46.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$33,800	\$3,211
47.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$33,800	\$3,211
48.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$33,800	\$3,211
49.	PRODUCER	Full-Time	\$67,000	\$6,365
50.	PRODUCER	Full-Time	\$67,000	\$6,365
51.	PRODUCER	Full-Time	\$67,000	\$6,365
52.	PRODUCER	Full-Time	\$67,000	\$6,365
53.	PRODUCER	Full-Time	\$67,000	\$6,365
54.	PRODUCER	Full-Time	\$67,000	\$6,365
55.	PRODUCER	Full-Time	\$67,000	\$6,365
56.	PRODUCER	Full-Time	\$67,000	\$6,365
57.	PRODUCER	Full-Time	\$67,000	\$6,365
58.	PRODUCER	Full-Time	\$67,000	\$6,365
59.	PRODUCER	Full-Time	\$67,000	\$6,365
60.	PRODUCER	Full-Time	\$67,000	\$6,365
61.	PRODUCER	Full-Time	\$67,000	\$6,365
62.	PRODUCER	Full-Time	\$67,000	\$6,365
63.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
64.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
65.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
66.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
67.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0

STAFF SCHEDULE

STAFF	ROLE	STATUS	BASE SALARY	BENEFITS
68.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
69.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
70.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
71.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
72.	SCHEDULER	Part-Time (2 days per week)	\$40,000	\$0
73.	MARKETING	Part-Time (2 days per week)	\$31,000	\$2,945
74.	MARKETING	Part-Time (2 days per week)	\$31,000	\$2,945
75.	MARKETING	Part-Time (2 days per week)	\$31,000	\$2,945
76.	MARKETING	Part-Time (2 days per week)	\$31,000	\$2,945
77.	MARKETING	Part-Time (2 days per week)	\$31,000	\$2,945
78.	MARKETING	Part-Time (2 days per week)	\$31,000	\$2,945
79.	MARKETING	Part-Time (2 days per week)	\$31,000	\$2,945
80.	MARKETING	Part-Time (2 days per week)	\$31,000	\$2,945
81.	MARKETING	Part-Time (2 days per week)	\$31,000	\$2,945
82.	MARKETING	Part-Time (2 days per week)	\$31,000	\$2,945
83.	MARKETING	Part-Time (2 days per week)	\$31,000	\$2,945
84.	MARKETING	Part-Time (2 days per week)	\$31,000	\$2,945
85.	MARKETING	Part-Time (2 days per week)	\$31,000	\$2,945
86.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$60,000	\$5,700
87.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$60,000	\$5,700
88.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$60,000	\$5,700
89.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$60,000	\$5,700
90.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$60,000	\$5,700

STAFF SCHEDULE

STAFF	ROLE	STATUS	BASE SALARY	BENEFITS
91.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$60,000	\$5,700
92.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$60,000	\$5,700
93.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$60,000	\$5,700
94.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$60,000	\$5,700
95.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$60,000	\$5,700
96.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$60,000	\$5,700
97.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$60,000	\$5,700
98.	ANIMATION/EDITING	Part-Time (3.25 days per week)	\$60,000	\$5,700
99.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
100.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
101.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
102.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
103.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
104.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
105.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
106.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
107.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
108.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
109.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
110.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
111.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
112.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
113.	CONTENT WRITER	Full-Time	\$60,000	\$5,700

STAFF SCHEDULE

STAFF	ROLE	STATUS	BASE SALARY	BENEFITS
114.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
115.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
116.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
117.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
118.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
119.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
120.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
121.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
122.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
123.	CONTENT WRITER	Full-Time	\$60,000	\$5,700
124.	STRATEGIST	Full-Time	\$70,000	\$6,650
125.	STRATEGIST	Full-Time	\$70,000	\$6,650
126.	STRATEGIST	Full-Time	\$70,000	\$6,650
127.	STRATEGIST	Full-Time	\$70,000	\$6,650
128.	STRATEGIST	Full-Time	\$70,000	\$6,650
129.	STRATEGIST	Full-Time	\$70,000	\$6,650
130.	STRATEGIST	Full-Time	\$70,000	\$6,650
131.	STRATEGIST	Full-Time	\$70,000	\$6,650
132.	STRATEGIST	Full-Time	\$70,000	\$6,650
133.	STRATEGIST	Full-Time	\$70,000	\$6,650
134.	STRATEGIST	Full-Time	\$70,000	\$6,650
135.	STRATEGIST	Full-Time	\$70,000	\$6,650
136.	STRATEGIST	Full-Time	\$70,000	\$6,65

STAFF SCHEDULE

STAFF	ROLE	STATUS	BASE SALARY	BENEFITS
137.	STRATEGIST	Full-Time	\$70,000	\$6,650
138.	STRATEGIST	Full-Time	\$70,000	\$6,650
139.	STRATEGIST	Full-Time	\$70,000	\$6,650
140.	STRATEGIST	Full-Time	\$70,000	\$6,650
141.	STRATEGIST	Full-Time	\$70,000	\$6,650
142.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
143.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
144.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
145.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
146.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
147.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
148.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
149.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
150.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
151.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
152.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
153.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
154.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
155.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
156.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
157.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
158.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
159.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
160.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700

STAFF SCHEDULE

STAFF	ROLE	STATUS	BASE SALARY	BENEFITS
161.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
162.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
163.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
164.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
165.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
166.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
167.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
168.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
169.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
170.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
171.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
172.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
173.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
174.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
175.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
176.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
177.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700
178.	GRAPHIC DESIGNER	Full-Time	\$60,000	\$5,700

BUSINESS CLIENTELE

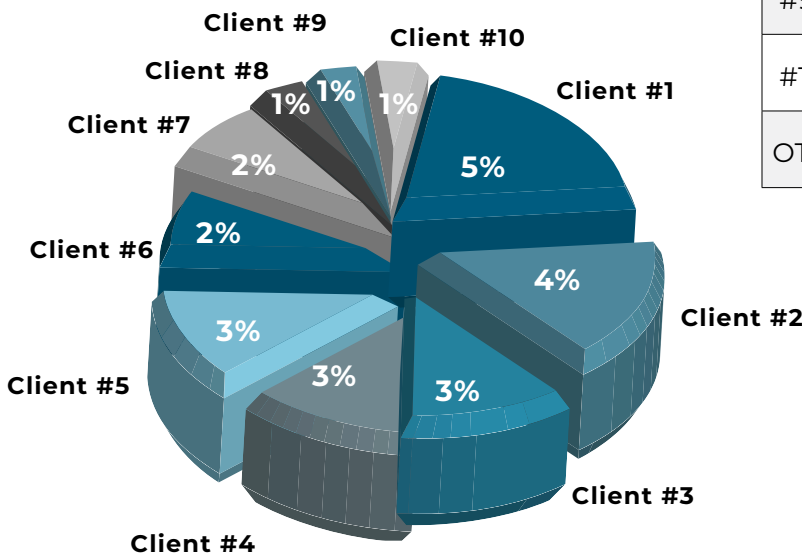
Throughout the years, Creative Marketing Solutions has acquired a large base of clients across both the government and private sectors, including several well-known corporate brands in addition to several Educational Institutions.

The company has also partnered with several niche content providers with established distribution networks to disseminate and sell stock video footage and images as part of their drive to diversify their income.

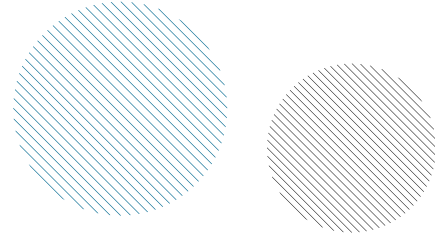
The majority of its clients are on contractual agreements ranging from 1 to 3 years. The company is confident that these contracts will continue to be renewed moving forward as it has grown its capabilities to continue meeting its client's demands.

Creative Marketing Solutions has a diversified clientele and is not dependant on any single client at any given point. Further, the business has forged long-lasting relationships with clients, the oldest being with the business for 10 years while many others have been with the company for over 3 years. This loyalty can be attributed mainly to the business' expertise and high-quality service provided. Most non-contractual jobs are paid on a per-project basis and there are no substantial issues with bad debts or recurring late payments.

Customer	% of revenue	Years as Client
#1	5%	8
#2	4%	10
#3	3%	7
#4	3%	4
#5	3%	5
#6	2%	6
#7	2%	3
#8	1%	3
#9	1%	3
#10	1%	3
OTHERS	75%	



OPERATIONAL PROCESSES



STEP 1

Determine whether the project makes financial sense based on currently available personnel and resources. This process has enabled the company to maintain a solid profitability as a compelling, data-driven argument is put forth for each project.

STEP 2

Create a project charter to define the overall project objective and outline all the stages of the project including the roles and responsibilities of everyone involved in the project.

STEP 3

Define the market project scope and goals clearly outlining the shape and boundaries of the goal including deliverables, tasks, costs and deadlines.

STEP 4

Present project scope to the client to sign off.

STEP 5

Planning of the project starts based on previously collected information and project scope.

STEP 6

High quality creative brief is created and project timeline.

STEP 7

Execution of the project starts with the project manager guiding the team throughout the entire process, making sure the project moves as per the plan defined in the previous stages.

STEP 8

Monitoring and controlling of project coordinating regular assessments and keeping a close eye on how the project is progressing. Project status reports are regularly created to demonstrate progress made.

BUSINESS STRATEGY

The global video animation and visual effects (VFX) industry is set to grow exponentially as the demand for animation and visual effects content soars. This is largely attributed to the consumer demand for more immersive experiences including Augmented Reality (AR) and Virtual Reality (VR). Creative Marketing Solutions is poised to deliver these powerful experiences having a successful track record of designing, conceptualizing, and producing these types of products for its clients.

Global consumers are displaying a burgeoning appetite for engaging, high-definition visual storytelling and experiences. Whether in a classroom-based setting, online learning, digital or social media setting, consumers want realistic animations, and agencies such as Creative Marketing Solutions are fully equipped and resourced to deal with this demand. The company will hire a team specifically focused on identifying all the potential cross-over areas where its current business offering is aligned. In this way, it will be able to recognize key markets that were previously untapped and create specific marketing strategies to acquire new clients in these markets.

Leveraging off the hyper-connected digital world and all its devices including TVs, Smartphones, tablets, head-mounted gadgets, Creative Marketing Solutions will conduct due diligence to identify areas that they are not as dominant and partner with content companies to increase their digital content footprint. Doing so also enables them to have access to their partners' clients to provide video animation and pre- and post-production services to them.

More consumers are spending more time streaming digital content and Creative Marketing Solutions's clients understand this. To this end, the company's strategy is to fully understand their clients' customers and engage

them where they spend most of their digital screen time. Video streaming is also the fastest-growing distribution channel for animation, achieving double-digit growth and this trend is expected to continue. Creative Marketing Solutions understands that they need to capitalize on this for their own future growth and to ensure their clients achieve success with the various video and animation campaigns they implement.

Creative Marketing Solutions will aggressively pursue the production of all types of video content with a view to successfully penetrate consumers' mobile devices and position their clients' brands on their target audiences' screens. This will take the form of AR and VR leveraging brand-new experiences for these audiences to catapult their clients' brands into the hearts and minds of its audience.

Gamification is a particular stream that it is desirous of growing within its portfolio. The rapid advancement of technology has resulted in games and gamified experiences being used in consumers' homes and at their workplaces for the purposes of launching campaigns, recognition in the workplace, training, brand awareness, and so forth. The gaming sector is also one of the fastest-growing segments in the global media market and it's an area that Creative Marketing Solutions wants to maximize

BUSINESS STRATEGY

its reach to ensure consistent growth and future brand relevancy.

Creative Marketing Solutions understands the industry it operates in and seeks to grow its share of this market. In 2019, the total value of the global animation, visual effects, and the gaming industry was \$264-billion; with most of the categories in the animation industry growing at a rate of between 2-3% year-on-year.

There are a significant number of strategies, trends, and growth factors for Creative Marketing Solutions to consider. According to reports, the advertising industry is expected to continue growing as the proliferation of digital channels continues to provide new revenue streams. To this end, as part of Creative Marketing Solutions's vision and growth strategy, they will hone their digital capabilities to offer their clients a full-service, turnkey offering featuring video pre- and post-production, animation, AR, VR, VFX, the full scope of inbound marketing, creative and design visuals, concepts, and strategy – the list not being exhaustive. This unlocks several new client markets that the company has previously not ventured into.

In addition to this, Creative Marketing Solutions is also putting together a roadmap of how it will enter the saturated market of sports and events. While the market is saturated with regular advertising, spectators and event-goers are demanding more immersive digital experiences and interactions at concerts, sporting games, match days, etc. This will afford the company to collaborate with traditional Above-The-Line, Below-The-Line, and Through-The-Line advertising agencies that don't have the capacity or the in-house capabilities to create these experiences their clients are now demanding.

Based on research, the end-user market is divided as follows: Media and Entertainment; Manufacturing; Architecture and Construction; Education & Academics; Healthcare & Life Sciences; Government; and a diverse range of other industries. Creative Marketing Solutions

is cognizant of this and will align their business growth strategies and in accordance with this growth trend by identifying key clients within these industries.

3D animation is an area that Creative Marketing Solutions also would like to focus their attention on. Currently, the healthcare and life sciences industries including hospitals, labs, and research facilities are using 3D animation at a rapidly increasing rate. They are doing so as part of the process to develop medicines, treatments and medical schools are using these videos to educate students to better understand the complex theory.

LOCATION & PREMISES

Creative Marketing Solutions is presently situated at NW 14th St, Miami, FL 33126, United States in large premises that have been fitted out to meet all of the business' unique needs.

The premises are split into two levels to accommodate the various operational requirements of the business namely the office area (on the ground floor) and the studio (first floor) area respectively.

On the ground floor, there are offices with demarcated meeting rooms for workshops, brainstorming, and client presentations. Each of these rooms is set-up with the latest technologies to best present ideas, pitch the sale of Creative Marketing Solutions's service offering, and for clients to view videos.

On the first floor, there is a fully-equipped studio from where the team creates and produces various videos - voice-overs and presenter training sessions also occur in this space.

The rental, including an expanded area, is approximately \$ per annum, including outgoings. The lease expires in 2021 but can be renewed for another 2 + 2 years according to the current lease agreement.

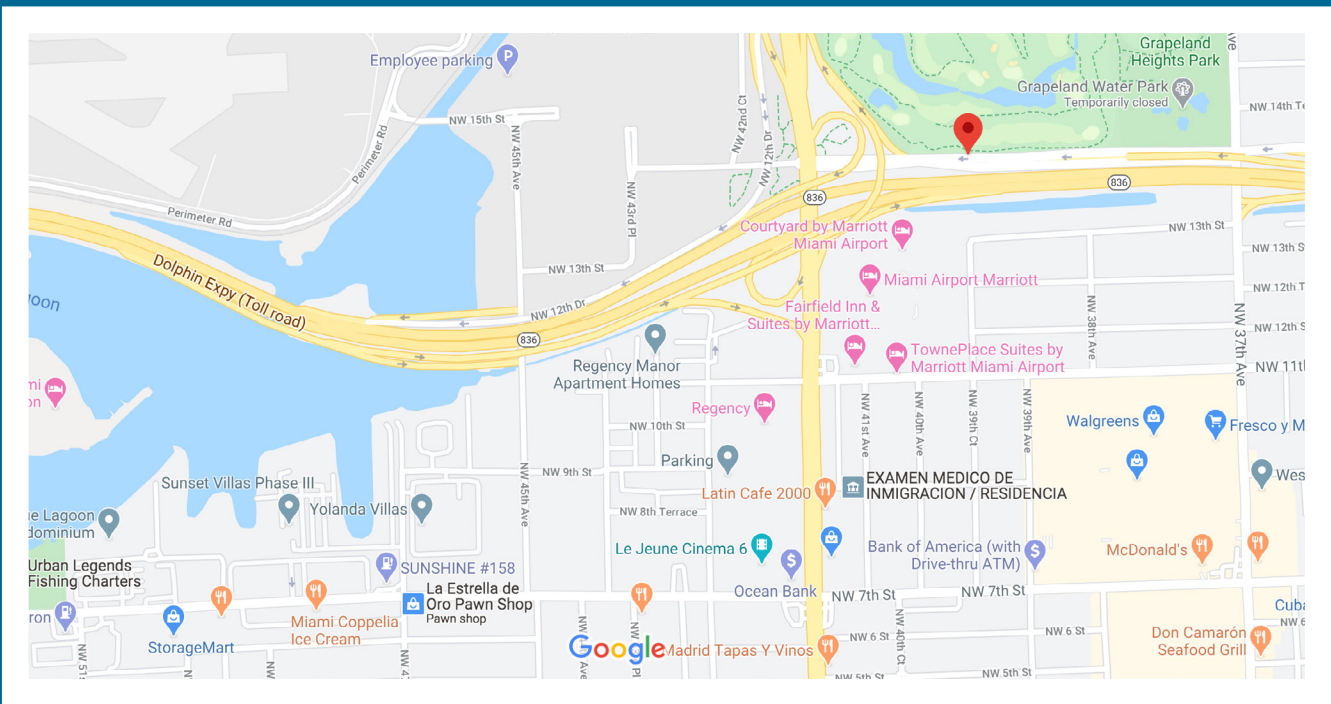
Creative Marketing Solutions upholds an exceptional relationship with the landlord and is considered to be a highly valued tenant. The new owner should not have any issues in signing a new lease with this landlord.



MAPS & LOGISTICS: BUSINESS

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LOCATION	DRIVING TIME	DISTANCE
US Cargo International	3 minutes	0.9 miles
Trans Logistics Services Corporation	6 minutes	1.6 miles
United States Postal Service	6 minutes	2.1 miles
Miami-Dade Police Department	6 minutes	1.7 miles
Miami International Mall	9 minutes	2.9 miles
Miami International Airport	11 minutes	6 miles
US State Department	11 minutes	2.6 miles



CITY PROFILE

Doral is a city in Miami-Dade County, Florida, United States. According to the national Census, Doral had an estimated population of 65,741, with a median age of 34.7 years.

The economy of Doral employs approximately 27,500 people. The largest industries in Doral are Transportation & Warehousing (3,296 people), Retail Trade (2,966 people), and Professional, Scientific, & Technical Services (2,892 people), and the highest paying industries are Public Administration (\$67,460), Manufacturing (\$54,444), and Information (\$53,925).

From 2016 to 2017, employment in Doral grew at a rate of 9.17%. The most common job groups, by several people living in Doral are Management Occupations (5,945 people), Sales & Related Occupations (5,420 people), and Office & Administrative Support Occupations (3,754 people). The most common employment sectors for those who live in Doral are Transportation & Warehousing (3,296 people), Retail Trade (2,966 people), and Professional, Scientific, & Technical Services (2,892 people).

Households in Doral have a median annual income of \$76,184, which is more than the median annual income of \$61,937 across the entire United States. This is in comparison to a median income of \$74,174 in 2016, which represents a 2.71% annual growth. The median property value in Doral was \$349,800 in 2017,

which is 1.52 times larger than the national average of \$229,700. Between 2016 and 2017 the median property value increased from \$328,600 to \$349,800, a 6.45% increase.

Economic highlights for the City include having over 2,600 trade and logistics related companies in the area. Over 250 company headquarters are also located in Doral. The City also consists of over 100 multinational companies, over 50 banking and financial institutions, and is home to 14 business parks. Doral is also home to the Miami Free Zone, one of the largest privately owned and operated general-purpose foreign trade zones in North America, with more than 850,000 square feet (78,968 square meters) of facilities.

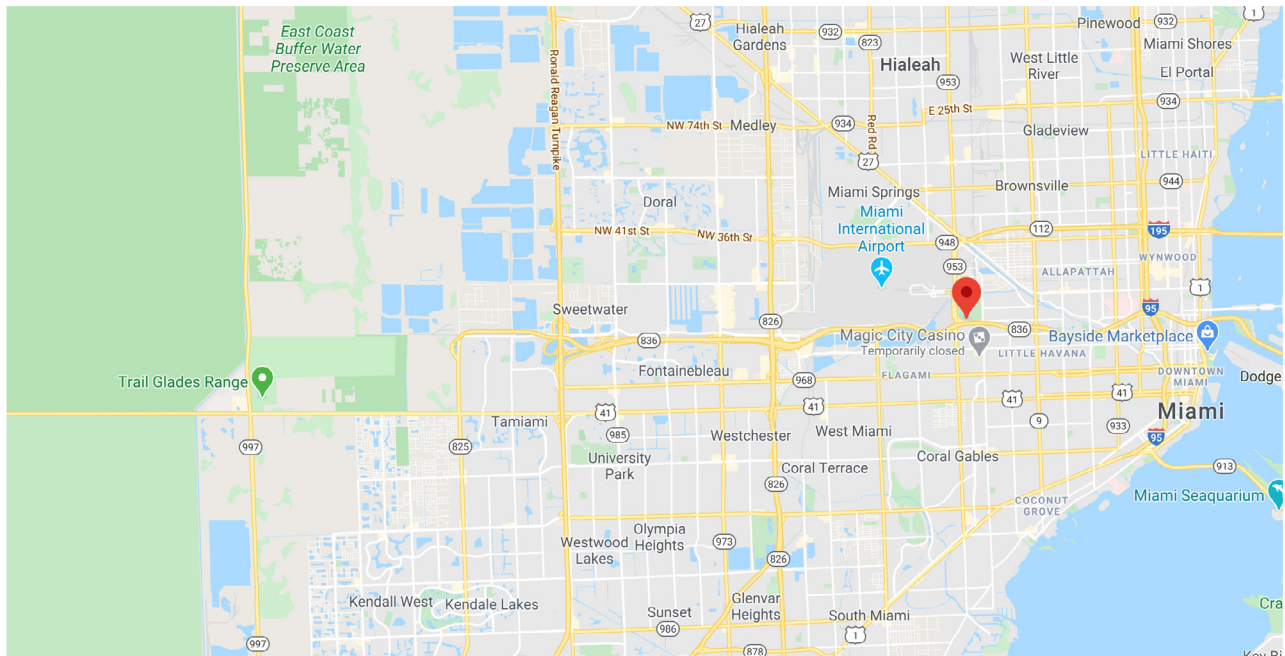
Growth projections show Doral to be one of the fastest-growing cities in the State of Florida by percent, having over 2 million square feet in approved commercial developments and over 9,000 residential units approved for construction.

Sources: <https://datausa.io/profile/geo/doral-fl>; <https://www.cityofdoral.com/businesses/economic-snapshot/>; https://en.wikipedia.org/wiki/Doral,_Florida

MAPS & LOGISTICS: CITY

LOCATION	DRIVING TIME	DISTANCE
Westchester	9 minutes	4.5 miles
Kendall	16 minutes	12 miles
Downtown Miami	17 minutes	10.1 miles
South Miami	17 minutes	9.5 miles
Coral Gables	18 minutes	7 miles
Hialeah	23 minutes	8.6 miles
North Miami	26 minutes	16.8 miles

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CITY DEMOGRAPHICS



PAGE 2



POPULATION

1,471,968



BUSINESS

All firms: 124,188



STAFFING

Total Employment: 601,133

Total Annual Payroll:
\$30,391,827



TOP 3 INDUSTRIES

Health Care & Social Assistance (93,014 people), Retail Trade (82,167 people), and Professional, Scientific, & Technical Services (63,236 people).



EDUCATION

High school graduate or higher: 88%
Bachelor's degree or higher: 32.7%



HOUSING

Housing Units: 590,779
Owner-occupied housing unit rate: 58.1%



FAMILIES

Households: 516,478

Persons per household: 2.6



EMPLOYMENT

In civilian labor force: 64%



INCOME

Median Household Income: \$56,137

Per Capita Income: \$31,173

LEASE AGREEMENT

As part of this deal, the current Lease Agreement will be transferred to the Purchaser, at the cost of the Seller.

PAGE 43



RENTAL

\$120,000 per annum



PARTIES

Creative Marketing Solutions and ABC Landlord



SECURITY DEPOSIT

\$25,000



TERMS OF LEASE

5 + 5 + 2 years



PERMITTED USE

Business purposes



RENTAL OPTIONS

2 + 2 years

FF&E SCHEDULE

Creative Marketing Solutions will be sold with all furniture, fixtures and equipment used in the business – except for any that may belong to the landlord or that may be on loan from a supplier. On the day of settlement, all items will be in good working order and condition (subject to fair wear & tear) and will be unencumbered and free of debts.

Item	Estimated Value
108x Computerised Editing Suites, including licenses	\$50,000
48x DSLR Cameras	\$100,000
Lighting Equipment	\$50,000
96 x high-end laptops	\$480,000
Camera Accessories and Equipment	\$250,000
3 x Purposely-Fitted Vans	\$140,000
54 x Cell phones	\$54,000
44 x iPads	\$44,000
Furniture	\$200,000
Miscellaneous	\$169,000
Total	\$1,883,000



INTELLECTUAL PROPERTY

Creative Marketing Solutions will be sold with all intellectual property associated with the business.

This includes the business name, websites and any associated domains it has secured, patents, trademarks, copyrights and trade secrets as well as its proprietary DAM and Project Management software.

- Creative Marketing Solutions DAM.
- Own digital asset management software developed over the years.



LICENSES AND PERMITS

Creative Marketing Solutions uses a range of subscription-based software for the day-to-day operation of the business including the following:

ADOBE CREATIVE CLOUD – Subscription

SHARPSRING – CRM Subscription

NETRESULTS – Subscription

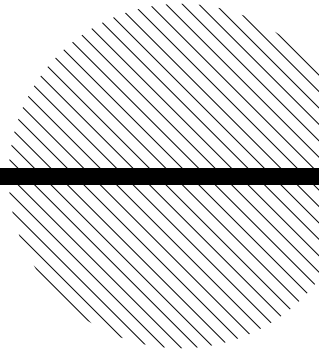
SHUTTERSTOCK – Subscription

POWTOON – Subscription

REEVIO – Subscription

DOODLY – Subscription





FINANCIAL SUMMARY

The Financial Performance of a business is one of the strongest factors that drive decision-making.

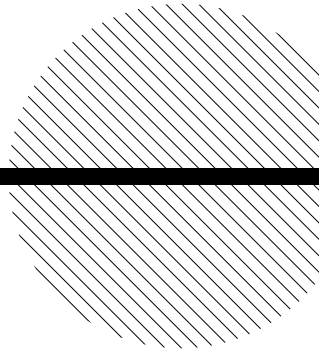
While Creative Marketing Solutions's financial performance is excellent, as the reader will see in the next few pages, we kindly remind the reader that this should not be the only factor at play.

Having said that, we have compiled the information from the business' Profit & Loss Statements for the last three financial years in order to allow the reader to see its trends.

A copy of the full Financial Statements, including Balance Sheets and Depreciation Schedules are enclosed to this profile as Appendix #1.

In addition, as part of the Due Diligence process - should the reader choose to proceed - the reader will be provided with copies of the business' Quarterly Statements, Company Tax Returns, IRS Portals, Receipts/ Invoices, Management Accounts from its Xero Accounting Software and any other information that the reader and/or his financial advisers deem relevant.





FINANCIAL SUMMARY

TURNOVER

(F.Y. 2020)

\$26,378,706

GROSS PROFIT

(F.Y. 2020)

\$12,450,376

GROSS MARGIN

(F.Y. 2020)

47.20%

EXPENDITURE

(F.Y. 2020)

\$9,242,599

S.D.E.

(F.Y. 2020)

\$3,207,777

S.D.E. MARGIN

(F.Y. 2020)

16.12%

ASKING PRICE

\$12,000,000

R.O.I. RATE

(F.Y. 2020)

35.64%

TRADING STATEMENT

	2020	2019	2018	2017	2016
INCOME					
Sales	\$26,272,056.00	\$24,787,684.84	\$22,209,765.61	\$22,087,611.90	\$20,629,829.52
Other Revenue	\$48,427.20	\$42,567.51	\$40,694.54	\$39,026.06	\$28,489.03
Interest Received	\$58,223.64	\$54,963.12	\$53,006.43	\$48,712.91	\$44,962.01
TOTAL INCOME	\$26,378,706.84	\$24,885,215.46	\$22,303,466.58	\$22,175,350.87	\$20,703,280.56
COST OF GOODS SOLD					
Purchases	\$176,856.60	\$162,354.36	\$180,213.34	\$169,760.96	\$127,660.25
Equipment Hire	\$51,231.00	\$47,542.37	\$53,247.45	\$51,330.54	\$45,940.84
Production Costs	\$780,084.00	\$742,483.95	\$841,234.32	\$623,354.63	\$433,231.47
Subcontractors	\$5,258,172.00	\$4,721,838.46	\$6,190,330.22	\$5,719,865.12	\$4,547,292.77
Payroll Expenses - Production	\$4,884,147.24	\$4,092,915.39	\$3,560,836.39	\$3,245,346.28	\$3,647,769.22
Freelancers	\$2,777,839.20	\$2,733,393.77	\$3,116,068.90	\$2,972,729.73	\$2,809,229.60
TOTAL COST OF GOODS SOLD	\$13,928,330.04	\$12,500,528.29	\$13,941,930.61	\$12,782,387.27	\$11,611,124.14
GROSS PROFIT	\$12,450,376.80	\$12,384,687.17	\$8,361,535.97	\$9,392,963.60	\$9,092,156.42
GROSS MARGIN	47.20%	49.77%	37.49%	42.36%	43.92%

PROFIT & LOSS STATEMENT

	2020	2019	2018	2017	2016
OPERATING EXPENSES					
Accountancy	\$108,613.20	\$104,648.82	\$96,245.52	\$100,448.56	\$96,107.17
Advertising and Marketing	\$1,350,531.12	\$1,306,638.86	\$1,194,764.44	\$1,739,577.02	\$988,079.75
Admin - Contractor	\$398,127.84	\$418,034.23	\$357,837.30	\$373,750.33	\$365,071.84
Bad Debts	\$165,555.00	\$0.00	\$0.00	\$459,879.00	\$0.00
Bank Fees & Charges	\$19,843.68	\$19,343.62	\$5,261.46	\$6,017.38	\$11,774.69
Briefing and Meeting	\$30,209.52	\$28,529.87	\$28,501.34	\$27,817.31	\$15,488.12
Client Appreciation	\$5,835.84	\$4,455.66	\$2,107.08	\$998.76	\$936.63
Commissions	\$324,667.00	\$368,497.05	\$411,242.70	\$809,325.64	\$772,727.93
Consultants Fees	\$162,632.76	\$156,371.40	\$208,849.64	\$204,463.80	\$187,697.77
Depreciation	\$58,731.15	\$98,398.17	\$97,608.03	\$175,548.04	\$89,367.12
Donations	\$8,303.28	\$16,303.49	\$15,276.37	\$14,252.85	\$13,461.51
Filing Fees	\$4,908.00	\$1,293.26	\$1,163.54	\$1,293.86	\$878.40
Hire Purchase Charges	\$44,260.08	\$42,644.59	\$20,883.05	\$38,926.01	\$46,226.98
HR Expenses	\$39,737.52	\$38,287.10	\$43,532.43	\$48,511.11	\$76,046.01
Insurance	\$207,929.76	\$194,102.43	\$193,456.07	\$109,861.77	\$72,179.18
Interest Paid - Bank	\$23,665.34	\$12,994.45	\$19,846.76	\$25,646.32	\$21,645.11
Interest Paid - IRS	\$10,134.35	\$9,476.10	\$7,733.62	\$6,864.97	\$9,943.32
Legal fees	\$102,370.44	\$15,713.86	\$13,639.16	\$13,161.79	\$9,960.58
License Fees	\$226,744.00	\$195,793.44	\$15,461.81	\$15,253.07	\$7,290.97
Light & Power	\$50,556.96	\$32,103.67	\$39,156.85	\$44,423.44	\$44,675.68
Motor Vehicle Expenses	\$86,479.60	\$76,404.73	\$68,761.96	\$69,078.27	\$87,314.93
Payroll Tax	\$27,873.12	\$26,660.64	\$27,185.85	\$34,961.01	\$23,609.17
Permits & Licenses	\$47,340.00	\$36,617.49	\$41,000.60	\$53,153.18	\$59,402.93
Postage	\$16,678.68	\$14,785.65	\$14,781.21	\$6,909.48	\$10,334.36
Printing & Stationery	\$32,481.96	\$14,828.01	\$13,166.83	\$12,856.75	\$12,172.52

PROFIT & LOSS STATEMENT

	2020	2019	2018	2017	2016
Rent on Land & Buildings	\$674,265.00	\$667,859.48	\$518,726.46	\$855,898.66	\$647,726.99
Registration & Subscriptions	\$3,458.64	\$3,060.90	\$4,193.43	\$7,837.71	\$7,577.34
Repairs & Maintenance	\$227,410.56	\$260,385.09	\$285,642.45	\$298,653.46	\$226,014.96
Research & Development	\$268,884.00	\$445,003.02	\$395,919.19	\$184,894.26	\$202,584.57
Rubbish Removal	\$8,001.84	\$7,097.63	\$5,675.98	\$6,056.27	\$3,493.13
SBE General Pool W/Off	\$222,984.00	\$56,637.94	\$53,222.67	\$8,349.63	\$85,316.59
SBE Low Value Pool W/Off	\$243,025.44	\$299,893.39	\$125,865.26	\$220,264.20	\$221,916.18
Security	\$5,664.00	\$5,658.34	\$1,243.14	\$745.88	\$1,274.39
Software Expenses	\$559,467.48	\$494,289.52	\$553,455.97	\$318,569.26	\$304,800.70
Sponsorship	\$180,000.00	\$119,430.00	\$32,484.96	\$122,565.80	\$105,011.93
Staff Amenities	\$240,721.44	\$186,559.12	\$51,117.20	\$62,578.70	\$47,358.31
Staff Benefits	\$475,746.00	\$123,665.00	\$77,886.22	\$99,745.23	\$101,334.12
Staff Training	\$1,205,072.96	\$1,040,580.50	\$582,725.08	\$575,528.43	\$550,466.00
Telecommunications	\$273,869.04	\$318,646.63	\$183,221.81	\$124,389.29	\$121,525.85
Travel, Accommodation & Conferences	\$210,088.44	\$412,508.65	\$201,056.72	\$370,587.74	\$354,207.76
Wages - Admin	\$240,000.00	\$471,240.00	\$328,878.40	\$547,582.53	\$517,224.55
Website Expenses	\$546,514.08	\$435,216.49	\$400,268.60	\$445,498.96	\$230,087.00
Worksafe	\$27,216.60	\$24,395.60	\$29,201.53	\$29,528.59	\$26,923.22
Work Experience	\$76,000.00	\$70,098.60	\$46,755.77	\$58,569.55	\$72,320.50
TOTAL EXPENSES	\$9,242,599.72	\$8,675,152.47	\$6,815,004.47	\$8,810,823.84	\$6,849,556.75
NET EARNINGS (E.B.I.T.)	\$3,207,777.08	\$3,709,534.69	\$1,546,531.50	\$582,139.76	\$2,242,599.67
NET MARGIN	12.16%	14.91%	6.93%	2.63%	10.83%

NORMALIZATIONS EXPLAINED

This part of the Memorandum will require some clarification as a number of readers are not familiar with the concept of Adjustments – also referred to as “Normalizations” or more popularly, as “Add-Backs”.

In a nutshell, an “add-back” is an expenses from the Profit & Loss Statement that is added back into the Net Earnings of the business to present the Buyer a more accurate picture of what the business is truly generating to a single owner.

The “Net Earnings” figure is relevant for Accounting and Taxation purposes - this is the figure the IRS is interested in. However, it does not present a full picture of the business for a Potential Buyer.

What Business Brokers aim to do, is to present the Buyer with an accurate picture of what the business is truly producing - how that is being distributed is a separate matter.

For this purpose, a number of expenses are reverted back into the Net Earnings, leading to the final figure of “S.D.E.” (Seller’s Discretionary Earnings) which is what is truly relevant to the Buyer and what he/she must take into account when assessing the business.

The main types of add-backs are as follows:

0 1

ABSTRACT ACCOUNTING EXPENSES

This generally refers to Depreciation and Amortization - expenses that show up on the Profit & Loss Statement but never really occurred. For example: the P&L might show an expense of \$10,000 in Depreciation - and while completely valid from an accounting point of view, but at no point did the business owner actually write a check for \$10,000 to anyone.

0 2

INTEREST EXPENSES

If a business owner takes out a loan, or incurs interest over late payments, or anything like this - those expenses are reverted back into the Net Earnings. The rationale behind it is that this was his/her decision - if he/she does not have capital invested into the business to avoid these charges, that is his/her prerogative, not the business’.

0 3

SELLER’S PERSONAL EXPENSES

Business Owners frequently throw into the business personal expenses of theirs (or their family members) - be it phone charges, motor vehicle expenses, subscriptions, donations, personal accounting charges, etc. The rationale behind reverting these back into the Net Earnings is that the business does not need them in order to exist/operate.

0 4

EXCESSIVE EXPENSES

Occasionally Business Owners have both unnecessary expenses or excessive expenses - that is his/her prerogative, not the business’. The rationale behind it is that a new owner does not need to continue paying more than necessary for a certain item, in order for the business to maintain its operations at the current pace.

0 5

REMUNERATION TO SELLER

Another expense that is added back into the Net Earnings are payments that the owner makes to himself (or his/her spouse) in the form of Wages, Director’s Fees or 401k. The rationale behind it is that the business is producing this money, he/she is simply distributing it to him/herself in the form of remuneration, rather than the dividends.

0 6

INCOME REVERSAL

This is, in many ways, the opposite of an add-back. This refers to income that is removed from the profit in order to provide a clearer picture. This usually refers to interest received, insurance recoveries, profit on sale of assets, etc.

RECASTING STATEMENTS

	2020	2019	2018	2017	2016
EBITDA ADJUSTMENTS					
Interest Received	-\$58,223.64	-\$54,963.12	-\$53,006.43	-\$48,712.91	-\$44,962.01
Depreciation	\$58,731.15	\$98,398.17	\$97,608.03	\$175,548.04	\$89,367.12
SBE General Pool Write Off	\$222,984.00	\$56,637.94	\$53,222.67	\$88,349.63	\$85,316.59
SBE Low Value Pool Write Off	\$243,025.44	\$299,893.39	\$125,865.26	\$220,264.20	\$221,916.18
Interest Paid - Bank	\$23,665.34	\$12,994.45	\$19,846.76	\$25,646.32	\$21,645.11
Interest Paid - IRS	\$10,134.35	\$9,476.10	\$7,733.62	\$6,864.97	\$9,943.32
TOTAL EBITDA ADJUSTMENTS	\$500,316.64	\$422,436.93	\$251,269.90	\$467,960.25	\$383,226.30
EBITDA (Earnings Before Interest Tax, Depreciation and Amortization)	\$3,708,093.72	\$4,131,971.62	\$1,797,801.40	\$1,050,100.01	\$2,625,825.97
EBITDA MARGIN	14.06%	16.60%	8.06%	4.74%	12.68%

RECASTING STATEMENTS

	2020	2019	2018	2017	2016
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S.D.E. ADJUSTMENTS

Accountancy	\$21,722.64	\$20,929.76	\$19,249.10	\$20,089.71	\$19,221.43
Bad Debts	\$165,555.00	\$0,00	\$0,00	\$459,879.00	\$0,00
Consultants Fees	\$162,632.76	\$156,371.40	\$208,849.64	\$204,463.80	\$187,697.77
Donations	\$8,303.28	\$16,303.49	\$15,276.37	\$14,252.85	\$13,461.51
Travel, Accommodation & Conferences	\$210,088.44	\$412,508.65	\$201,056.72	\$370,587.74	\$354,207.76

TOTAL SDE ADJUSTMENTS	\$568,302.12	\$606,113.30	\$444,431.83	\$1,069,273.10	\$574,588.47
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SDE (SELLERS DISCRETIONARY EARNINGS)	\$4,276,395.84	\$4,738,084.93	\$2,242,233.24	\$2,119,373.12	\$3,200,414.44
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SDE MARGIN	16.21%	19.04%	10.05%	9.56%	15.46%
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ASKING PRICE	\$12,000,000.00				
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INVENTORY	\$200,000 (estimated) - included in asking price				
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FF&E VALUE	\$1,883,000 (estimated) - included in asking price				
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ROI (Return On Owners' Investment)	35.64%	39.51%	18,71%	17,70%	26.69%
---	---------------	---------------	---------------	---------------	---------------

MULTIPLYING FACTOR:	2.81	2.53	5.35	5.66	3.75
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INVESTMENT REQUIRED

	2020	2019	2018	2017	2016
ASKING PRICE	\$12,000,000.00				
INVENTORY	\$200,000 (estimated) - included in asking price				
FF&E VALUE	\$1,883,000 (estimated) - included in asking price				
ROI (Return On Owners' Investment)	35.64%	39.51%	18,71%	17,70%	26.69%
MULTIPLYING FACTOR:	2.81	2.53	5.35	5.66	3.75

ASKING PRICE
\$12,000,000

R.O.I.
(Return On Owners'
Investment)

35.64%
(F.Y. 2020)

MULTIPLYING
FACTOR

2.81
(F.Y. 2020)

EXTERNAL CFO REPORT

**HERE, AN EXTERNAL
CFO REPORT WILL BE
INSERTED.**



COMPETITION OVERVIEW

PAGE 57

The industry is characterized by a low number of small, specialist service providers. This has resulted in the industry displaying a low concentration of ownership, with the three largest companies estimated to contribute to almost a tenth of industry revenue in 2020. Many operators are freelancers but haven't built up sufficient credibility with clients and as a result, clients prefer to deal with larger agencies due to their level of accountability.

Of the industry operators that maintain formal employees, more than 85.0% have nine or fewer employees, while only 0.6% have more than 500 employees. Over the past five years, market share concentration has remained relatively stable because of competing forces. The industry's low barriers to entry, underlined by easy access to software and equipment, also encouraged the steady entrance of independent operators.

The primary reasons for competition in the industry were quality and cost. Specific expertise or a focus in certain industry services



INDUSTRY REPORT

The following report has been purchased and adapted by The Business Brokerage Agency on behalf of the Seller to provide Prospective Purchasers with an overall insight into the industry in which the business operates.

IBISWORLD INDUSTRY REPORT 54181

ADVERTISING AGENCIES IN THE US | ANNA MILLER | MARCH 2020

ABOUT THIS INDUSTRY

Industry Definition

Advertising agencies create advertising campaigns for periodicals, newspapers, radio, TV and other media. Through in-house capabilities or subcontracting, ad agencies provide advice, creative services, account management, production of advertising material and media planning and buying (e.g. ad placement).

Major Players

IPG

Omnicom Group Inc.

WPP

Main Activities

The primary activities of this industry are:

Creating advertising campaigns

Disseminating advertising campaigns through available mediums, such as TV, periodicals and digital

The major products and services in this industry are:

Bundled creative and placement services

Creative services

Media buying and planning services

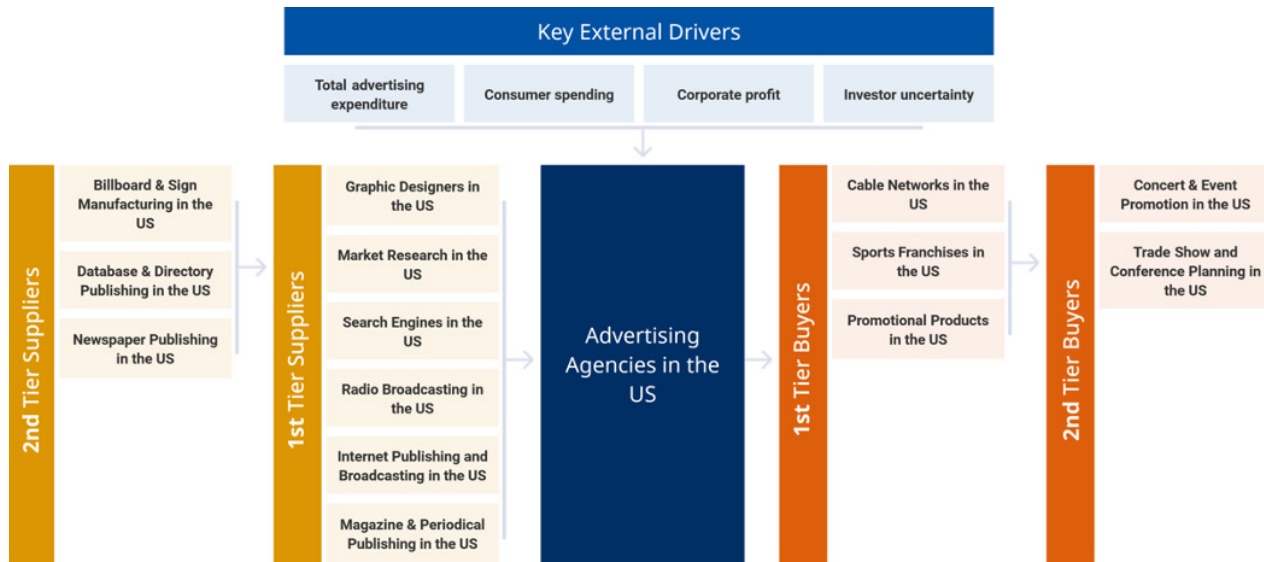
Public relations services

Sales promotion services

All other services

INDUSTRY REPORT

SUPPLY CHAIN



PAGE 59

SIMILAR INDUSTRIES

Graphic Designers in the US
Media Buying Agencies in the US
Direct Mail Advertising in the US

Management Consulting in the US
Media Representative Firms in the US
Promotional Products in the US

RELATED INTERNATIONAL INDUSTRIES

Global Advertising Agencies
Advertising Agencies in China
Advertising Agencies in Canada
Advertising Agencies in Ireland

Advertising Agencies in Australia
Advertising Agencies in the UK
Advertising and Market Research Services in New Zealand

INDUSTRY REPORT

Industry at a Glance

Key Statistics



Key External Drivers

% = 2015-2020 Annual Growth



Industry Structure

POSITIVE IMPACT

Capital Intensity Low	Concentration Low
--------------------------	----------------------

MIXED IMPACT

Life Cycle Mature	Revenue Volatility Medium
Regulation Medium	Technology Change Medium
Globalization Medium	Competition Medium

NEGATIVE IMPACT

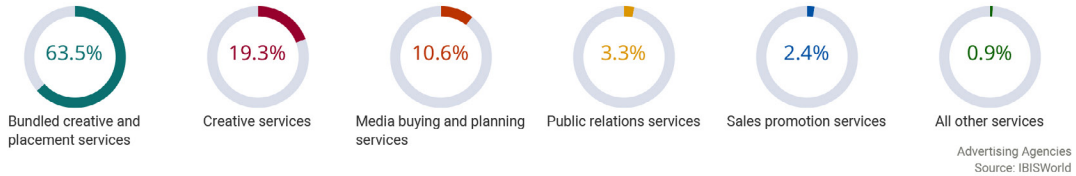
Industry Assistance None	Barriers to Entry Low
-----------------------------	--------------------------

Key Trends

- Favorable consumer spending patterns have enabled industry companies to expand operations
- Advertising expenditure for traditional media has exhibited a general decline
- Some advertisers have moved away from cost-per-medium/thousand impressions
- During the outlook period, total advertising expenditure is expected to grow
- Advertising agencies that fail to adapt to changes will lose market share
- In the future, viral campaigns will become more targeted
- Companies have increasingly sought industry services to help them capture a growing portion of consumer spending

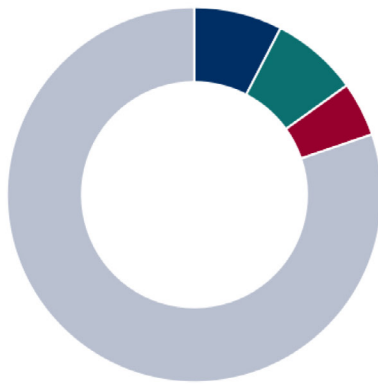
INDUSTRY REPORT

Products & Services Segmentation



Major Players

% = share of industry revenue



- 7.6% IPG
- 7.5% Omnicom Group Inc.
- 4.7% WPP
- 80.2% Other

Advertising Agencies
Source: IBISWorld

SWOT

S STRENGTHS

- Low Imports
- Low Customer Class Concentration
- High Revenue per Employee
- Low Capital Requirements

W WEAKNESSES

- Low & Steady Barriers to Entry
- None & Steady Level of Assistance
- Low Profit vs. Sector Average
- High Product/Service Concentration

O OPPORTUNITIES

- High Revenue Growth (2015-2020)
- High Revenue Growth (2020-2025)
- Investor uncertainty

T THREATS

- Low Revenue Growth (2005-2020)
- Low Outlier Growth
- Low Performance Drivers
- Total advertising expenditure

INDUSTRY REPORT

EXECUTIVE SUMMARY

The Advertising Agencies industry provides creative services, advice, account management and production of advertising material across different channels for its clients.

Industry operators also plan and buy media space in periodicals, newspapers, radio and TV or other media. Over the five years to 2020, the Advertising Agencies industry has benefited from growing consumer spending and per capita disposable income, despite declining corporate profit. As a result, companies have increasingly sought industry services to help them capture a growing portion of consumer spending. Overall, IBISWorld estimates industry revenue to increase an annualized 5.0% during the period to \$60.1 billion. Despite overall growth during the period, revenue is estimated to decline 2.0% in 2020 due to the ongoing COVID-19 (coronavirus) pandemic which is anticipated to reduced consumer and business spending. Profit is estimated to account for 6.3% of revenue in 2020.

Growing consumer spending and low unemployment have motivated companies to invest in advertising services. Interestingly, despite an annualized decline in corporate profit, total advertising expenditure has expanded over the five years to 2020. Corporate profit is estimated to decrease at an annualized rate of 1.4% over the five years to 2020. During the period, rising demand for digital services has motivated more companies to enter the industry. Over the five years to 2020, the number of industry enterprises is estimated to grow at an annualized rate of 3.5% to 76,806 companies. Merger and acquisition activity has also been high, particularly amid larger companies that have sought to expand their digital capabilities by acquiring smaller, more specialized agencies.

Over the five years to 2025, industry revenue is anticipated to continue growing at an annualized rate of 1.8% to \$65.6 billion. Industry operators are anticipated to benefit from growth in corporate profit and continued growth in consumer spending. Furthermore, as companies adapt to benefits from the growth of digital platforms, clients will seek integrated marketing solutions that combine multiple media platforms, resulting in more demand for industry services. To an extent, cross-platform advertising has posed an arduous task for advertisers, due to hurdles related to securing methodology and metrics for cross-platform analysis. However, it poses a potential opportunity moving forward for new companies to differentiate themselves in the industry.

SWOT ANALYSIS EXPLAINED

For readers not familiar with the concept, a “SWOT Analysis” is a highly regarded and most useful tool in business management for strategic planning, originated by Albert S. Humphrey in the 1960’s,

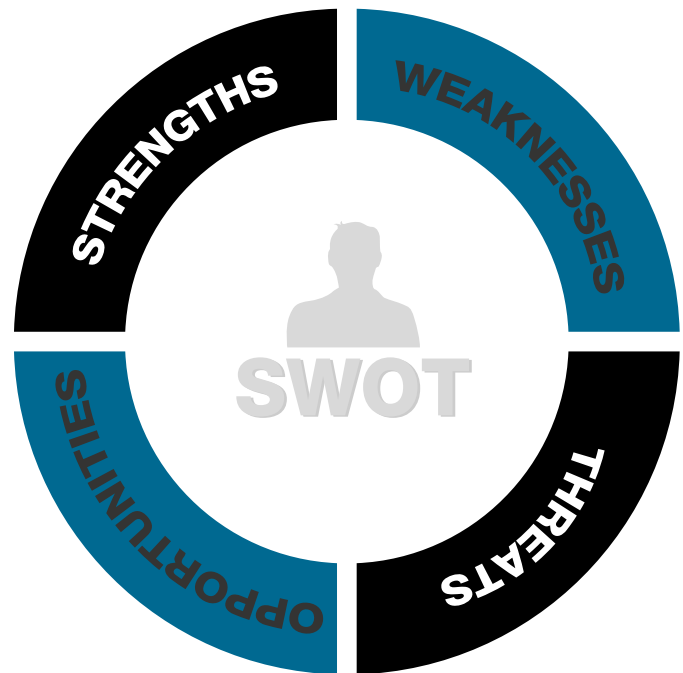
“Business Florida” defines the SWOT Analysis as a structured and detailed way to develop strategies, but for the purposes of buying a Business it serves as clear and concise outline of the business as it currently stands and in the market it currently operates in, allowing the Potential Buyer more leeway in analyzing the compatibility of the business with his/her own skill-set as well the attractiveness matching with the Potential Buyers’ aims and goals.

SWOT is an acronym for Strengths, Weaknesses, Opportunities and Threats, as outlined in the following page.

The Business Brokerage Agency has a very clear policy of never omitting Weaknesses that any business may have - not of omitting any Threats it may face.

We believe that Transparency and Integrity are absolutely necessary for any business transaction.

Having said that, we urge Buyers to scrutinize whether or not Weaknesses and/or Threats may be overcome by a New Owner or by actions being taken under new management.



SWOT ANALYSIS EXPLAINED

STRENGTHS are analyzed in the context of a Business Buying SWOT Analysis to assist the Buyer in identifying areas where the business is performing well and give it its competitive advantage. Identifying these strengths is necessary so the Buyer knows what can be maintained so this advantage is not lost. Growing the business further will involve finding ways of using and building on these strengths

WEAKNESSES are analyzed in the context of a Business Buying SWOT Analysis to assist the Buyer in identifying disadvantageous characteristics of the business. The first step to minimizing or eliminating weaknesses is being aware of their existence. Every business has its weaknesses so you needn't be taken aback by the fact that they exist – the question is whether you as a new owner will have what it takes to turn them around from weaknesses into Opportunities

OPPORTUNITIES are analyzed in the context of a Business Buying SWOT Analysis to assist the Buyer in identifying opportunities that the business could take advantage of in order to make greater profits. Opportunities are created by external factors such as market trends. But by taking into consideration Strengths and Weaknesses (Internal Factors) one understands the business' ability to seize an opportunity at the appropriate time.

THREATS are analyzed in the context of a Business Buying SWOT Analysis to assist the Buyer in identifying external factors that could adversely affect the business. Such as regulatory changes, market trends or actions by competitors. By identifying a threat, the new owner will be able to plan accordingly to counteract it, depending on the business' strengths and weaknesses.



SWOT ANALYSIS STRENGTHS

The core strength of Creative Marketing Solutions lies in the power of its award-winning workforce. The company has a highly skilled team of creative, results-driven and proficient marketing, advertising, and video production experts. Each team member brings outstanding qualifications and experience in various niche areas of the digital marketing, advertising, and video animation industries. The team operates in an agile work environment with design thinking at its core. They incorporate this methodology to understand the niche, technical and obscure audiences which is pivotal to the company's success.

Both owners are luminaries in their respective fields having occupied senior and executive positions at some of the most revered advertising and marketing agencies in the USA. They have the necessary specialized skills and competencies to successfully operate and manage this business – and this is evident from the company's phenomenal financial track record. Their passion and commitment for the business and their unending pursuit to realize its strategic vision is demonstrated in action on every account the business acquires.

The owners assume a democratic and participative leadership style underpinned by strategic thinking and an excellent understanding of the market and the industry. This has ensured a positive working environment with a low staff turnaround, with most of the company's current employees being employed since it first opened its doors in 2000. To this end, the company is also able to continually attract and retain best-in-class creative talent with advanced skills, ensuring the company's ability to deliver world-class services to its clients. It also, as a result of its brand

reputation and employer value proposition, accesses international creative resources and talent on specific projects – a factor that also sets it apart from its competition.

In addition to the synergy that is prevalent in the company's meticulously selected marketing and video animation experts, Creative Marketing Solutions's range of services is measurable, performance-driven, and are benchmarked against industry best practices.

Over the past two decades, the company has garnered client adoration specifically from high profile, top tier government and corporate clients and recognized as a quintessential service provider to partner with on marketing and video animation and production projects. Being recognized as a critical partner to its clients' video production and marketing requirements has afforded Creative Marketing Solutions the distinct opportunity to cultivate solid client relationships – an opportunity that has resulted in the company developing an unrivaled brand reputation in the marketplace within which it operates.

Creative Marketing Solutions owns high-value Intellectual Property and proprietary technologies that enable it to operate successfully in this niche, yet burgeoning sector. The strong growth in the industry projects a stable demand for Creative Marketing Solutions's video animation and production services portfolio. The company's substantial content and video production portfolio using these proprietary technologies have, and will, ensure sustained revenue growth and market recognition for the company.

SWOT ANALYSIS STRENGTHS

Leveraging its IP, the company has become a pioneering player in this niche market. To this end, it has the capability of white labeling its platform for various clients to ensure a diversified and consistent revenue stream. This service comprises an integrated platform and marketing strategies that are underpinned by robust automated processes. In addition, Creative Marketing Solutions has designed a pricing model that ensures recurring revenue each month for retainer clients that use or incorporate their IP or technologies into their businesses.

Over the past 20 years, Creative Marketing Solutions has built scalable lead generation processes by becoming a Hubspot Certified Gold Partner. This affords the company to render digital marketing services specifically relating to Inbound Marketing to clients who require these niche services. This has assisted in securing recurring revenue as each client acquired via this avenue is bound by the contractual agreement for a specific period of time. This allows the company to do accurate financial forecasting with a view to identifying areas for expansion and further investment. Creative Marketing Solutions could hire a sales team and developers specifically to drive monthly retainers in this division and have the capacity, competencies, and capabilities to effectively service each of these Inbound Marketing retainer clients.

Creative Marketing Solutions has created a distinct niche for itself in the market for video production, animation, content, and digital marketing. It has successfully capitalized on the growing demand for quality video and digital marketing.



SWOT ANALYSIS WEAKNESSES

The weaknesses identified in the company include the following:

There is a low barrier to entry into the industry and this could result in inexperienced players threatening the company's market share. While there is a clear marketing strategy in place, there company's Unique Selling Propositions (USPs) need to be defined more clearly, therefore the current owners have constructed a strategic framework to commence the thinking around this. The progress of this will be communicated to the new owners.

The business has developed a strong brand reputation but this has largely been due to referrals and minimal investment via Google Paid Advertising. A more defined customer acquisition strategy needs to be implemented with an inbound digital strategy as its primary driver. This will lead to building further brand equity in an organic way.



SWOT ANALYSIS OPPORTUNITIES

Operating in this niche market there are significant opportunities available to Creative Marketing Solutions. Considering the digitally connected world, businesses of any size and operating in any industry require a digital presence and the distinct opportunity to engage and connect with their audiences. Creative Marketing Solutions is equipped to take on any feasible opportunities that present itself through self-exploration or opportunities presented to them by external parties.

The company already owns a substantial amount of Intellectual Property (IP) and proprietary technologies, so it could consider adding a Research and Development or Insights team to investigate new service/product possibilities, in addition to this team keeping the company's operations prepared for any regulatory or market changes.

A definite opportunity exists to form key strategic alliances with content partners to co-develop and distribute the content of a 'stock video footage or image' nature. This will also increase the company's revenue and its ability to unlock a new market targeting B2C and B2B audiences.

Opportunities to partner with government on skills development and training initiatives and tourism events that promote various geographic territories, as well as partner with Small Micro Enterprises (SMEs) via the government's business development agencies to support these companies with relevant and engaging brand awareness services. The high rate of emerging new companies – most of which will require marketing and video production solutions is an opportunity to create a new division within

Creative Marketing Solutions that focuses on this client segment.

The growing demand for digital content and the advancement of technology that continues to unlock new markets and opportunities for a domestic and international audience is directly aligned with Creative Marketing Solutions's strategic future growth endeavors.

In terms of expansion, Creative Marketing Solutions could explore more opportunities in television content production, as this is an underperforming area within the current business context. There is an opportunity to build a content library of television programs or animations that could be purchased 'off-the-shelf' and aired in domestic and international markets respectively. To do this, an additional sales team could be hired to grow the business' current television content production revenue stream.

The market demand to filter out unwanted advertising is increasing and this proposes a distinct opportunity for content marketing, animation, and video production to gain higher value in the hearts and minds of consumers.

SWOT ANALYSIS THREATS

One of the major threats Creative Marketing Solutions, like any other business, could face is an economic downturn. An underperforming economy or a poor business climate affects clients' marketing budgets – their spending and purchasing power.

Due to the barrier to entry being low in the industry, the arrival of another agency in the same location as Creative Marketing Solutions threatens its market share, specifically if it adopts the same business model as the company. This however is mitigated by the fact that Creative Marketing Solutions owns high-value Intellectual Property and proprietary technologies that cannot be developed and built in a short time frame.

Regulatory and technological changes as well as consumer tastes and generational preferences could threaten some of the services Creative Marketing Solutions offers its clients. Creative Marketing Solutions has an experienced team that keeps abreast of trends and influences thereby ensuring that the company continually evolves its content into formats people most want.

The bargaining power of suppliers could increase and specific supplier contracts may need to be renegotiated. This is also a result of the emergence of new players entering the industry.

In addition, negative press, client reviews, or media coverage could affect the company's stellar brand reputation. A Brand Sentiment Strategy could be implemented and a Community Manager hired to ensure Creative Marketing Solutions understands the clients' pulse as it relates to the company at any time.



FINAL THOUGHTS



PAGE 70

T HE ACQUISITION OF CREATIVE MARKETING SOLUTIONS IS AN INCREDIBLE OPPORTUNITY TO EXPAND AN EXISTING MEDIA, ADVERTISING, OR MARKETING BUSINESS WITH PROPRIETARY TECHNOLOGY AND AN ESTABLISHED AND SOLIDIFIED CLIENT BASE.

Their business offers a significant opportunity for almost endless growth and development potential with a fortified base to leverage future growth. Creative Marketing Solutions operates within a niche and expanding industry and is considered a juggernaut in terms of its service offering.

The business yields high returns with minimal advertising as it uses its strengthened brand reputation to attract and retain its clients. The business has been operating since 2000 and has fully automated processes in place together with a team of highly skilled specialists who are experts in their respective creative fields.

The business occupies state-of-the-art premises with a studio for production and office spaces for meetings and workshops respectively.

Sincerely,

John Doe



“

The acquisition of Creative Marketing Solutions presents an outstanding opportunity for a savvy entrepreneur to take this business to the next level.

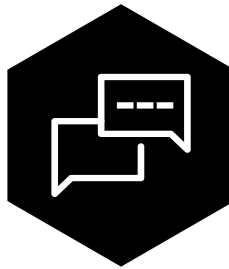
WHAT HAPPENS NEXT?

If you wish to proceed further with your inquiry, please contact the Mergers & Acquisitions Intermediary – Mr. John Doe – to schedule a Business Inspection. During this meeting you will have the opportunity to speak to the Seller/s directly, ask further questions and see the business for yourself. The importance of the Business Inspection cannot be overstated – while we hope you have found this Profile informative, it is the next step that will truly determine the suitability of the business to your requirements and specifications.



INITIAL REVIEW OF BUSINESS

This is the step you have just undertaken by reading this Confidential Corporate Memorandum, coupled with any follow-up questions you may have for the M&A Intermediary.



BUSINESS INSPECTION

The next step is to organize for a visit to the business and an informal meeting with the Seller - during which you will have the opportunity to understand the business better.



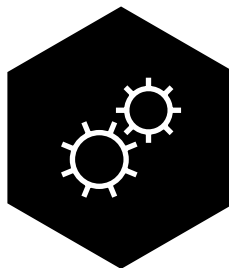
NEGOTIATIONS AND OFFER

Once you are satisfied with the information provided and are ready to move forward, you can negotiate a Conditional Offer with the Business Broker.



DUE DILIGENCE

Once the Offer is accepted by the Seller, and a Deposit is paid into a Escrow Account, you will be able to undertake a Due Diligence investigation to verify the accuracy of all relevant business information.



CONTRACTS & OTHER MATTERS

You will need to engage a Lawyer to review the Contract of Sale prepared by the Buyers' Lawyer and to assure you are protected in the transaction and a number of other matters have also been attended to.



SETTLEMENT & POSSESSION

Once both parties have signed the Contract of Sale, you can move on to Settlement and take possession of the business, enabling you to now drive the business in whatever direction you choose.



**THANK YOU FOR READING
THIS CONFIDENTIAL
CORPORATE MEMORANDUM**

On behalf of the entire team at The Business Brokerage Agency, I want to thank you again for giving us the opportunity of assisting you with your next Business acquisition.

Please get in touch with myself, or any member of the team, so we may either help you further on this business inquiry or so we can assist you in finding an alternative investment option.



THE BUSINESS BROKERAGE AGENCY

M&A Intermediary: Mr. John Doe

SW 2nd Street, Miami, FL 33130

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This Confidential Corporate Memorandum (CCM) was developed for commercial purposes only as a sample.

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