

My Virtual Model™



WEIGHT LOSS BUSINESS OPPORTUNITY

SEPTEMBER 2010

Weight Loss Business Opportunity

“Side-by-side” comparison

This business opportunity is to manage a Weight Loss Simulator web site for Women to visualize their weight loss/gain through the use of a life like 3-dimensional avatar of themselves. The web site also proposes relevant links to weight loss products and services based on your current weight and goal weight, and answers to a couple of specific questions.

The web site destination uses avatar technology licensed from My Virtual Model Inc.

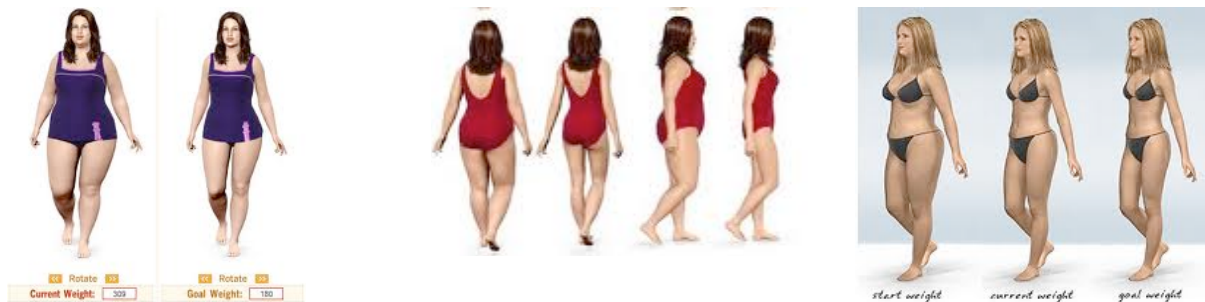
What users have been saying

JAY75REY's Blog: "I've seen other virtual model images on Spark People so I [...] made one for me. I really like it because it helps me visualize the changes that have already occurred due to my weight loss. I feel better and know my clothes fit better, but it's nice to see a "before and after". [Fun with My Virtual Model](#)

Suite101.com: "My Virtual Model is a site where you can create a model by inputting data to change the features to look as much like you as possible. You can specify hair color; choose a hair style that is similar to yours, eye color, height, weight, body shape and more." [Visualize Yourself Thin: Picture Your Weight Loss Goal to Stay Motivated](#)

ThatsFit: "If you're like me and hate to have you're picture taken, My Virtual Model is another option for people who want a glimpse of their future, fitter selves." [Picture Yourself Thin - Virtual Models as Weight Loss Motivators](#)

CalorieLab: "Users say the virtual models aren't perfect, but there are a lot of variables you can tinker with to make them quite similar to your own body shape." [My Virtual Model shows the diet 'after,' before](#)



Market Overview

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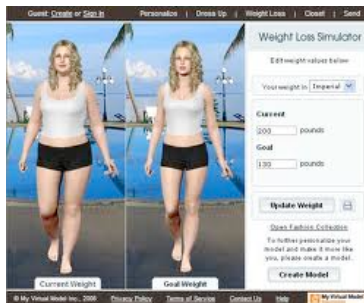
The market for Weight Loss products and services is very large and growing. This is a market that has naturally chosen to use Virtual Model's as a way to visualize start, current and end goals for weight loss programs.

Market Data Inc. reported in the "U.S. Weight Loss & Diet Control Market (9th edition)," a 6% annual growth for the total U.S. weight loss market, to \$68.7 billion by 2010. This includes budgets spent on weight-loss products and services. The analysis includes ten major segments of the U.S. diet industry: diet drugs, diet books and exercise videos, diet soft drinks, artificial sweeteners, diet dinner entrees and meal replacements, health clubs, diet websites, commercial chains, hospital, RD and MD-based programs, kid's weight loss camps and bariatric surgeries.

Bariatric surgeries reached record levels with a total of 177,000 in 2006, representing a \$4.4 billion market. Among diet companies, market leaders in 2006 were Weight Watchers (\$1.2 bill.), NutriSystem (\$568 mill.), LA Weight Loss (\$500 mill.), Jenny Craig (\$462 mill.), Slim-Fast (\$310 mill.) and Herbalife (\$271 mill.).

Players in the weight loss industry are also an important future target market for the Weight Loss Simulator. These types of potential customers include:

- Bariatric surgeries (Ethicon Endo Surgery, Alergan)
- Diet websites (NutriSystem)
- Health clubs (Equinox)
- Diet drugs, diet books and exercise videos
- Diet soft drinks, artificial sweeteners, diet dinner entrees and meal replacements,
- Commercial chains, hospital, RD and MD-based programs
- Kid's weight loss camp



Teen retail



Financial Projections

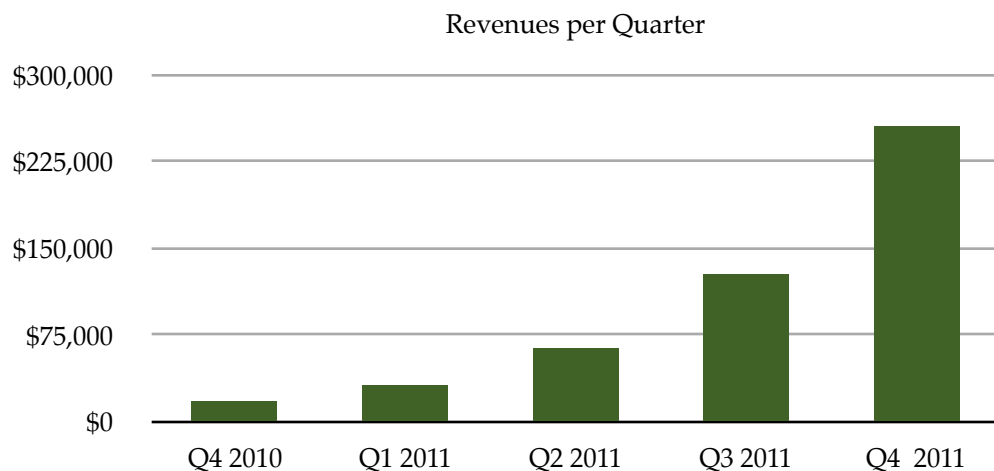
Revenue Model

The Weight Loss Simulator is a free destination site. It generates revenue through affiliate networks based on qualified lead generation.

Existing Demand and Traffic

The use of MVM's Virtual Model for weight loss visualization has created a strong grass roots adoption over the past 10 years. MVM.com currently draws about 100,000 visitors per month internationally with 40% entirely due to organic search, and 35% from links from referring sites and blogs. By leveraging popularity of the My Virtual Model web site, the new Weight Loss Simulator site can immediately benefit. With an exclusive and highly visible spotlight promotion of the Weight Loss Simulator on the My Virtual Model web site, and the knowledge that the number 1 request of the users of My Virtual Model is for health and weight loss, we can assume that 1/4 of the traffic will visit the Weight Loss Simulator site giving us 25,000 visitors per month to start with. At a conversion of 1% in an affiliate program like www.pepperjamnetwork.com the starting revenues/month are: 25,000 visitors * 1% conversion * 25\$ per lead¹ = \$6,250 per month

Through WOM (word of mouth) and by adding SEO to boost the traffic, ontop of the existing organic search traffic we can expect to double the visitors each quarter. Below is a projection of the visitors and revenues.



¹ Example price of 25\$ per converted lead to a weight loss product

<http://www.pepperjamnetwork.com/blog/2009/02/04/shadow-boxer-weight-loss-launches-lead-generation-program-on-pepperjam-network/>

Transaction Overview

The principals of My Virtual Model Inc. are seeking to raise capital in exchange for MVM's Weight Loss assets (see below) and royalties on net sales:

MVM ASSETS	BENEFIT
Exclusive spotlight promotion on MVM.com	Harness the existing and future traffic to MVM.com with a highly visible promotion on the home page.
3 Million email addresses	Make a one time announcement using the current list of active MVM Newsletter subscribers
300 Twitter followers	Tweet announcements on the MVM twitter account with over 300 followers
Official "affiliation" to MVM Brand	As the official Weight Loss Simulator you benefit from the over \$10 Million marketing budgets spent by MVM over the past decade.
Virtual Model Technology License	Hosting and support on our technology platform. Can be used to build your own web site experience.
seeMeThin.com Domain Name	Domain name currently owned by MVM

PARTNER ASSETS	DESCRIPTION
Design and own the web site	Using the MVM Virtual Model Technology, the partner will design and build the destination web site.
Spotlight promotion art work	The partner will supply to MVM the spotlight promotion art work banner to place on the MVM.com home page based on a standard IAB 234x60 Half Banner.
Hosting of the web site	Partner will host the web site except for the Virtual Model platform which is hosted my MVM.
Marketing and Affiliate Network management	All marketing, sending of emails, tweets, press releases, and all work related to affiliate networks and lead generation deals.