



CANADIAN UNITED SOCCER LEAGUE

BLUEPRINT FOR PRO SOCCER SUCCESS IN CANADA

EXECUTIVE SUMMARY

At the grass roots level, soccer is enjoying tremendous growth in Canada, and with over 700,000 registered players, it has begun to outpace hockey registrations. It is estimated that over one million Canadian children will be registered to play soccer by the year 2005. Soccer also generates significant interest and fan support and television ratings confirm that viewing for world-class soccer is at an all-time high and continuing to grow.

In total, there are millions of Canadians with a passion for soccer, which has become a major global business. The most popular game in the world is having a profound impact on the business of sports and entertainment, globally and locally. The time is right to harness the fantastic potential provided by soccer in this country. The objective of the Canadian United Soccer League (CUSL) is to bring professional soccer back to Canada, and to implement a unique business model, which will see the sport not only survive but thrive and prosper.

In order to accomplish this, the CUSL has developed a blueprint that is based on an innovative yet sound business strategy. The cooperation of the Canadian Soccer Association, all of the provincial associations, and the Canadian A-League franchises, will help to provide direction and credibility, while the development of a unique and diverse marketing strategy will result in the creation of a highly visible and appealing brand in the Canadian marketplace.

The plan has been founded on several revenue streams, many of them non-traditional. An important aspect of the revenue generation strategy is that the league will not need to rely on gate receipts to support operating costs. Attendance is expected to contribute only a minor portion of league revenues, making the CUSL a stable and diversified enterprise.

The CUSL is in a strong position to leverage the appeal of soccer and the dreams of aspiring young players in order to support the creation and growth of a revolutionary enterprise. The CUSL will give players a goal in their soccer lives and give fans an affordable entertainment alternative. New technologies are available to expand the CUSL's reach, encouraging tighter relationships with fans, creating more than just a sports league.

The CUSL will be attractive for investors, corporate partners and soccer associations. It will provide key benefits to Canadian soccer, including enhanced player development, coaching, competition and improved facilities. It will generate significant interest among corporate Canada due to the rapid growth and universal appeal of the game. Investors

and partners will reap extensive benefits, including high profit potential, access to a large, relatively new demographic, and an image-enhancing association with youth soccer.

In addition, the league will develop strong global alliances with premier soccer clubs from around the world for player development and branding purposes, ultimately resulting in increased credibility for the league, better quality of play and a higher profile on the international soccer stage.

The new league will commence business operations in 2001 and field operations by 2002, allowing the CUSL to benefit from the huge international interest in the 2002 World Cup.



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INTRODUCTION AND OVERVIEW

Soccer is more than a game...it is a passion...it is a machine of dreams...and it is a business. The Canadian United Soccer League is uniquely positioned to make soccer a force to be reckoned with in Canada.



The Canadian Soccer Association (CSA) is the key driver of the concept of a professional soccer league in Canada. On Feb. 5, 2000, in Montreal, Quebec, the CSA held a meeting to review a report completed by KPMG on the viability of a Canadian Professional Soccer League that concluded, “the viability of a Canadian Professional Soccer League is risky and highly speculative”.

Although the results of the study were disappointing, many of the participants at the CSA meeting believed that there were a number of factors still favoring the creation of a professional league in Canada. As such, a working group was formed to proceed with the

development of a business plan “blueprint” for a proposed new professional league, code named by the group as the Canadian United Soccer League (CUSL). The working group was not discouraged by the findings of the report. Rather, the group believes that KPMG was simply trying to say, that if things continue to do be done as they have been in the past, if the same mistakes are repeated, professional soccer in Canada would continue to fail. The working group does not dispute this, but notes that the game is changing on many fronts, making the probability of success greater than it has ever been. The working group believes that now is the time to undertake the efforts required to bring professional soccer back to Canada.

The working group was presented with an original mandate to do the following:

- i) Produce a business plan or “blueprint” for a successful domestic, Canadian professional soccer league.
- ii) Establish a viable, long-term, “financial and business model” for the league to operate and prosper under.
- iii) Address the KPMG critical success factors for a professional soccer league in Canada.
- iv) Prepare a convincing presentation to successfully “sell” the plan to investors, the associations, the Canadian A-League franchises and corporate Canada.

The members of the working group come from all parts of Canada, including, Victoria, Regina, Winnipeg, Toronto, Ottawa, Montreal and Halifax. They are, for the most part, successful business entrepreneurs, chosen for their creativity, courage, business and political connections, and their caring attitudes. By that we mean, care for Canada, care for soccer, and most importantly, care for the children who dream of playing the game professionally one day.

They are parents of kids who play the game, they are youth coaches who teach the game, they are sponsors who help fund the game, and they are fans that love the game.

The primary essence of the CUSL is to develop a long-term sustainable financial model for a league that would allow for professional soccer to be played in Canada, resulting in the achievement of the following goals:

- i) Enhanced Player Development Program - the impact created by the CUSL will provide for a serious and competitive soccer environment. Talented young players between the ages of 8 and 18 will be exposed to better coaches, training and competition. Supplying the national team with rising young stars to compete on an international level will further enhance the player development program.

- ii) Build Positive Awareness - the marketing and promotional initiatives implemented by the CUSL will take young Canadian talent and transpose them into soccer “heroes”, role models that young aspiring players will be able to look up to.

- iii) Development of Better Facilities - the financial objectives set forth in the business plan will make it possible for new facilities conforming to CSA and FIFA standards to be constructed.

In the preparation of this blueprint, the working group has traveled extensively and interviewed national teams and professional league coaches, corporate partners, soccer administrators, and the leadership of both soccer and non-soccer professional leagues throughout the world.

This blueprint represents the culmination of the efforts undertaken by the working group in the design and strategy formulation of a professional soccer league for the Canadian market. The plan is innovative, thorough and, most importantly, completely workable. The working group is confident that this blueprint represents a viable business strategy to bring professional soccer back to Canada. It looks to the past for lessons, and to the future for goals, ultimately responding with a cohesive vision for soccer in Canada.

THE SOCCER MARKET

Professional soccer in Canada is viable. The CUSL has made exciting and important strides to establish itself as a serious sports entity and looks forward to making a continuously significant impact on the Canadian and International soccer scene.



The game of soccer has been the world's most popular sport for the past 125 years, whether measured in terms of spectators watching (it is estimated that 2 billion people watched the 1998 World Cup), or in terms of the approximately 200 million players who participate in organized leagues and associations. Soccer currently generates approximately \$300 billion in global revenue annually and its growth is expected to continue unabated for the foreseeable future.

The game has been embraced as never before by a worldwide communications revolution. Soccer on television is a global phenomenon. In Canada, television ratings

confirm that fan interest for world class soccer, such as the World Cup, Champion League, Euro 2000, English Premiere League and Italian “Seria A” league games is at an all time high. Every major soccer tournament is televised across the planet. Projections note that 4 billion people will view the 2002 World Cup worldwide and, undoubtedly, Canada will post even greater numbers than it did during EURO 2000.

The Canadian market is primed for a soccer explosion. The number of under 19 and senior players in Canada has climbed steadily since 1980, with a strong upturn since 1993. In 1999, registered participants reached tremendous numbers, outpacing even hockey registrations for the third year in a row. Participation increases of 10% per annum are expected to continue over the next few years, with over one million registered players by 2005.

Add to this number the traditional fans and families, and the CUSL has the potential to attract significant national media and corporate attention. CTV Sports and a number of corporations have already expressed interest in being involved with this venture, from partnerships and alliances to advertising and promotions. The demographics of soccer in Canada are extremely attractive for broadcasters and advertisers alike.

The splendid performance of the senior men’s Gold Cup Champion national team has heightened the awareness of this exciting game. The push for more such high level success is now very strong and the working group believes that the foundation of a strong national soccer program is a viable professional league.

Thanks to the excellent work of the associations, their regions and youth clubs, Canada already possesses a world-class youth structure that is the envy of many higher-ranked FIFA countries. The presence of excellent existing and emerging, provincially based, amateur and semi-pro leagues can be combined with a professional national soccer league to complete the pyramid and tie everything together. By completing the pyramid, the CUSL provides a predictable path and a standard synergistic platform for our brightest young prospects to develop and showcase their talents.

The Canadian market is well prepared for the launch of a professional league, with 20 cities having a population of at least 200,000 people. Teams located in smaller markets will also be able to take advantage of the fact that they are “the only game in town” and may very well be supported by devoted local residents much in the same way high school football dominates in smaller American towns.

There are already three A-League franchises (Montreal, Toronto and Vancouver) playing in Canada and Edmonton and Toronto host professional indoor soccer teams. In 2002, the new Calgary franchise will commence A-League play. Many of the other cities have teams in competitive regional leagues.

The growth of soccer at the grass roots, as well as in professional leagues, has generated a significant amount of public interest in the sport. Millions of North Americans who previously had ignored or overlooked the game are now embracing it as fans and/or players. In five years of business operations, MLS has proven that North Americans will support professional soccer. The CUSL will be able to capitalize on this support, but with a distinctively Canadian flavour.

CUSL corporate and sponsorship partners will be viewed as organizations pioneering pro soccer in Canada, making it possible for young soccer fans to watch pro soccer live and eventually, we hope, for free. The CUSL will earn the support, trust and respect of the local community through the league's involvement in amateur soccer and community events.

THE OPPORTUNITY

The time is right for the creation of a new professional soccer league in Canada. The lessons of the past and the hope of the future will combine to provide the foundation for a financially sound, premier sporting and entertainment enterprise.



From a business perspective, one of the great advantages of a game like soccer is its universal appeal. Soccer is the world's most popular sport, and has been for over 125 years. There is no reason to think that this will change. At its most basic level, this fact alone means that there are hundreds of millions of people worldwide that share one common thing: a love of the game.

The evolution of the game continues unabated. There are three key elements to consider in the changing soccer landscape:

- i) From Sport To Business - the beautiful game is still a sport, but it has also become a big business. In fact, the worldwide business of soccer is estimated to be worth more than \$300 billion dollars per year. Players today can be transferred for fees nearing \$100 million dollars. Nike is paying Manchester United \$600 million for the right to have their logo on the team's jersey and the English FA recently announced that their profits rose from less than \$6 million in 1998 to more than \$250 million in the year 2000. These are just a few examples of how the sport has become a big booming business.
- ii) Globalization - today's agents of globalization are multinational enterprises, with names like IBM, Toyota, Sony, DELL, Nortel, Seagrams, ...Manchester United, PSG, Juventus, Glasgow Rangers, Real Madrid, and Barcelona. All these corporations see expansion into international markets as opportunities to grow revenues. Most major European clubs are establishing "Supporters Clubs" around the world. And why not? With FIFA confirming that over 2 billion people tuned into the last World Cup 47 billion times, and that there are more than 200 million registered soccer players around the globe, it is easy to see why premier clubs want to expand their reach beyond the immediate markets surrounding their home stadiums.
- iii) Technology - globalization and penetration of foreign markets is being made easier by advancements in communication technologies, including satellites, wireless digital cellular, and the Internet. The large clubs and leagues of Europe are leveraging these technologies for easy access to any home around the world, hoping to eventually show their games via satellite television, the Internet, or in the future, cell phones. Analysts expect that sports-related Internet web sites will be able generate billions of dollars in additional revenue streams, including advertising, e-commerce and multi-media services. Soccer, as the world's most popular sport, will be a prime force in this revolution.

The appeal of the game provides a number of interesting and attractive opportunities that can be harnessed with the inception of a professional soccer league in Canada. These opportunities are multi-faceted and applicable to a wide range of organizations and individuals.

The working group foresees significant interest from four major groups:

- i) Investors – corporations and individuals wishing to contribute an equity investment in order to attain share ownership in the league.
- ii) Corporate Partners – corporations wishing to support the league through advertising and promotional arrangements.
- iii) Soccer Associations – the Canadian Soccer Association, senior amateur, semi-professional and provincial soccer associations wishing to be involved in the long-term growth and development of soccer in Canada.
- iv) Strategic Alliances – premier soccer clubs from around the world wishing to align themselves with Canadian teams for branding opportunities and player development.

Each of these groups will have the opportunity to participate in the development of a premier professional soccer league that will be uniquely and proudly Canadian, but with strong ties to the global soccer community. These groups are the stakeholders of the CUSL, and the level of their interest and commitment will be the determining factor in the viability of the league.

The working group believes strongly that the involvement of each of these entities is an important element in the long-term success of the league. The participation of leading organizations will enhance the spirit of partnership and cooperation within the league, ultimately creating a viable and sustainable entity that will reward all of its stakeholders.

The CUSL has developed a business plan that provides significant potential benefits to each of the stakeholders. This section of the document outlines the four key opportunities inherent in the formation of the league, while the strategies to take advantage of these opportunities are further expanded in a following section.

INVESTMENT OPPORTUNITY

From an investment perspective, the CUSL represents an attractive opportunity for investors wishing to be a part of something unique and exciting, with the potential for beneficial long-term results.

Soccer is more attractive for investors now than ever before. In general, soccer remains an under-developed market in North America, whether the focal point is player registrations, merchandising or fan base and support. Global fan support is at all-time highs and the opportunities in licensing, media and new technologies are just beginning to evolve. There is untapped potential in almost every aspect of the game and the CUSL is uniquely positioned to move ahead quickly in the Canadian arena.

As a business, sporting ventures provide a very attractive vehicle to create a wide variety of revenue generating opportunities. In Canada, this has not been done to any great extent with the sport of soccer. The CUSL has identified a number of mechanisms to generate revenue for the league; so, the league will not need to rely on gate revenues to fund operating expenses.

The CUSL recognizes the importance of making sports entertaining. In today's fast-paced world, there is an emphasis on getting more from every minute. In the world of sports, this can be achieved by combining a traditional sporting event with elements of entertainment, including music, video, dancing, etc. The NBA revolutionized this concept and other sports have followed suit to varying degrees. In order to appeal to a broad fan base, soccer in Canada will have to adopt this approach as well. In fact, World Soccer Magazine has noted that "[soccer] is a branch of the entertainment industry business. It's Hollywood spread far and wide around the world. From east to west, from north to south". The by-product of this is the appeal of branding and merchandising that will extend far beyond the soccer pitch.

The CUSL will be structured as a single-entity league, where all teams are owned and run by the league. The advantage is that league administration will be able to operate the teams in accordance with the goals and objectives of the entire league and will not be subject to the whims of individual team owners seeking their own gains. For investors, this means a singular focus is driving the enterprise.

PARTNERSHIP OPPORTUNITY



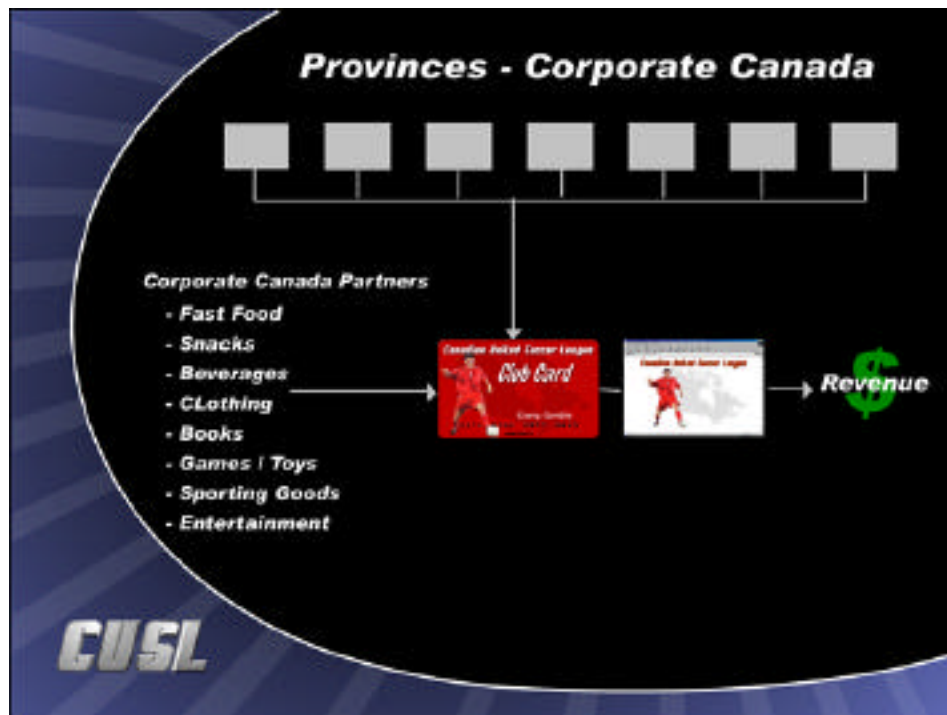
Corporate partners of the CUSL stand to gain extensive branding, promotional and merchandising opportunities. Though it has not yet been leveraged, the market for soccer in Canada is already well established. At the grass roots level, soccer is enjoying tremendous growth across the country, and with over 700,000 registered players, it has outpaced hockey registrations for the past few years. With annual 10% registration growth expected to continue, over 1 million children will play soccer by 2005.

This represents a very significant group, especially since the majority of these registrants are under the age of 19 and comprising age groups that are increasingly influencing household purchase decisions. The collective purchasing power of the youth soccer players in Canada is estimated to be greater than \$1 billion and, more importantly, their influence on family purchases is thought to be greater than \$12 billion. That is why many marketing firms refer to the 8 to 18 year olds as “The Influencers”.

In addition to the registered players, soccer also touches the lives of parents, friends, coaches and the general sports fan. Each of these groups represents another large demographic in Canada and can be expected to attract the attention of consumer product companies. It is these people that will provide the fan base for the CUSL.

All told, professional soccer in Canada has the potential to appeal to millions of individuals in the immediate term. This number will continue to grow as more and more children take up the game, playing for fun, but hoping to become the next great star. For marketers, soccer has the potential to be as popular as hockey in the schoolyards, the stadiums, on the Internet and on the television. The sheer participation numbers alone are strong enough to warrant attention to this burgeoning market.

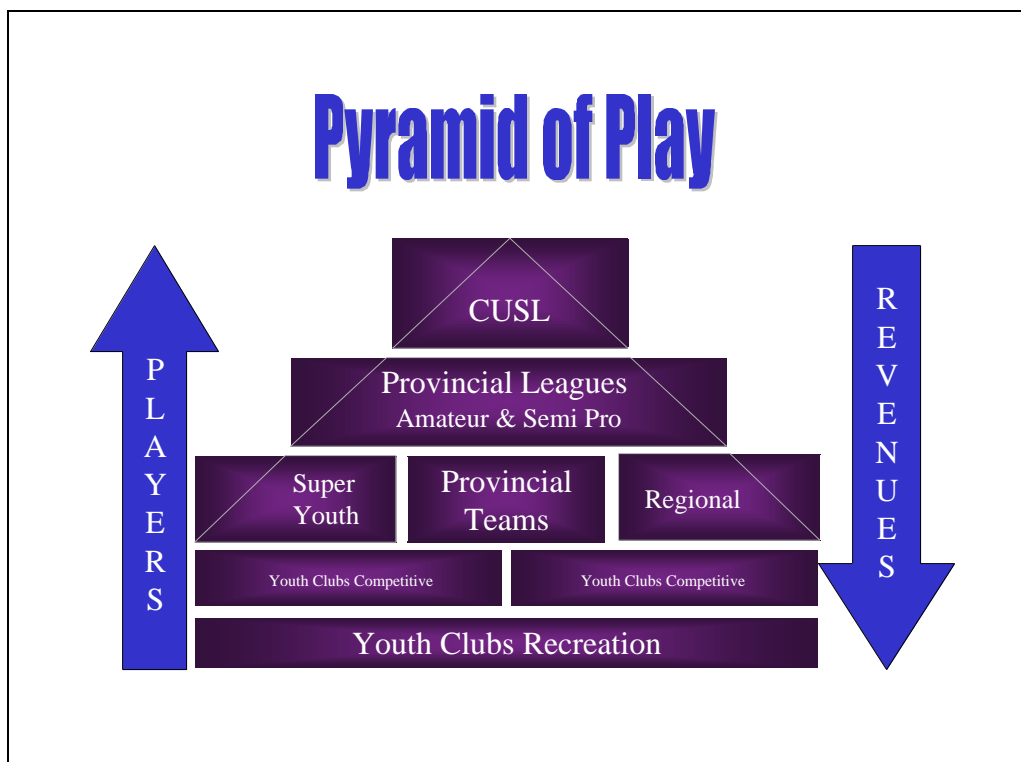
The CUSL will align itself with a number of corporate partners to support the league through a variety of branding, merchandising, promotional and advertising agreements. The league believes that these partnerships will be extremely beneficial for all parties. In addition to the exposure to a new and potentially lucrative marketing demographic, the corporate partners stand to attain a high level of goodwill as a result of their involvement in supporting amateur soccer across Canada through their involvement in the CUSL.



SOCCER ASSOCIATION OPPORTUNITY

The Canadian Soccer Association has begun to implement an ambitious development program in order to improve and expand the on-field successes of Canada's national teams. In the interests of long-term player development and the advancement of the sport in Canada, the "working group" has envisioned, the Canadian United Soccer League, the primary essence of which is to develop a long-term sustainable financial model for a league, which would allow for professional soccer to be played in Canada.

The ramifications of such an ambitious undertaking are clear: the CUSL completes the player development pyramid for Canada. Canada has a world-class youth development program that is highly regarded worldwide. Unfortunately, the lack of a professional league that can sustain a premium level of competition has hindered the growth and quality of the sport in Canada.



One of the foremost concerns of the associations and all those concerned with player development is the growth and development of home-grown soccer talent that can ultimately improve the play of Canadian World Cup, Olympic and Youth National teams on the world stage.

True development of players will only happen if players are able to compete in an intensive environment beyond the age of 16 or 17. Until that age the current system serves our youth very well, as evidenced by strong showings of Canadian teams in youth world-class tournaments. Once a player reaches 16-17 years of age there is no bridge from amateur select teams to the professional clubs. University programs in Canada and the United States partially bridge the gap but are not designed to produce professional players.



With the advent of the CUSL, players beyond the age for youth soccer will be able to continue to compete at the highest possible level, ultimately having a very positive impact on the success of national teams representing Canada. The impact created by the CUSL, will provide for a serious and competitive soccer environment where talented young players between the ages of 8 to 18, will be exposed to better coaches, training and competition.

The marketing and promotional initiatives that are to be implemented by the CUSL will take young Canadian talent and transpose them into soccer “heroes”; role models that young aspiring players will be able to look up to, ultimately creating an environment similar to that of hockey where children can dream of being the next superstar in their favorite sport.

The structure and financial operations of the CUSL will be consistent with the improved development of youth soccer programs in all provinces across Canada. The financial objectives set forth in this business plan will make it possible for new facilities conforming to CSA and FIFA standards to be constructed and revenue sharing opportunities between the league and the associations will ensure that funding is available for player development at a level not before seen in Canada.

The CUSL will work with established leagues and provincial associations to develop strategic alliances for player development. At the senior amateur I or semi-professional level, each team will establish a reserve team either through a partnership with an existing team or by the creation of a new team. These teams will be supported in the following manner:

- i) Sponsorship – direct financial involvement and cooperative fundraising strategies.
- ii) Coaching – staff from the senior team will oversee and assist the training of the reserve team players.
- iii) Player Exchanges – players will be freely loaned between the first and reserve teams for development and injury recovery / coverage purposes.
- iv) Marketing Assistance – league and team marketing staff will develop and implement effective marketing strategies that will maximize exposure of first and reserve teams in close coordination.

At the Under 21 (U-21) level, the CUSL will establish development leagues in conjunction with local clubs and provincial associations using the model established by the Vancouver Whitecaps . These leagues will be supported in the following manner:

- i) **Sponsorship** – direct financial involvement and assistance in developing fundraising strategies.
- ii) **Coaching** – CUSL coaching staff will work with local club coaches through workshops and seminars in cooperation with the provincial associations and the CSA.
- iii) **Player Exchanges** – players will be freely loaned between the first and reserve teams for development and injury recovery / coverage purposes.

- iv) **Marketing Assistance** – league and team marketing staff will develop and implement effective marketing strategies.

- v) **Apprenticeships** – select players from the league will be invited to participate in voluntary apprenticeships with the sponsoring CUSL team.

By supporting the local clubs at the U-21 level, it is hoped that players 15-16 years old playing for clubs and select teams will be given a clear path to the professional game. At the same time this strategy is designed to strengthen the provincial leagues and their local clubs that are the backbone of the game in Canada, by implementing minimum local player quotas and a player transfer fee Compensation System.

STRATEGIC ALLIANCE OPPORTUNITY



One of the key reasons for the global success of soccer is enduring fan loyalty. Fans of a particular world-class team, especially European teams, will maintain their attachment to a team regardless of where they happen to be living. European soccer is followed in Canada with the same passion and commitment as it is in the home countries of these teams. The love of a premier soccer team has no geographic boundaries, and the sales of team-specific merchandise are often much higher outside of the team's home country.

This provides a very unique partnership opportunity for the CUSL. With an understanding that Canada's youth soccer programs can be fertile development grounds for soccer stars of the future, it is inevitable that many premier European teams will be interested in creating strategic alliances with Canadian professional teams. These alliances will be based on two shared objectives: brand expansion and player development.

Premier European teams will be able to license their colours and logos to Canadian teams in order to cross-brand uniforms and other merchandise. This will result in greater sales and licensing revenue for the parent team in Europe, as well as greater brand recognition and expansion in the Canadian market. The possibility of television coverage, including Pay-per-View, in the Canadian market will also be attractive for clubs wishing to reach a broader audience in the global community. The likely result of this extension of the

brand will be greater exposure and an increasing fan base for the European team in new markets.

On the other hand, the Canadian teams will benefit from the public's knowledge of a relationship with the established European clubs, leading to an increase in the fan base for the CUSL team among supporters of the parent club in the local market.

Player development programs and the quality of play in Canada will benefit from such close alliances. It is expected that the European teams will send top youth prospects and mature stars to their affiliates in Canada, either permanently or temporarily. This will increase the interest in the Canadian game and result in higher attendance and stronger merchandising opportunities. Additionally, there will be numerous opportunities for coaching exchanges and joint camps and youth academies, ultimately benefiting the Canadian youth players.

For the European teams, another attractive aspect of the alliance is the ability to use the Canadian soccer programs as a proving ground for young talent. As soccer becomes more popular the world over, the competition for top players becomes more fierce. Established clubs will relish the opportunity to identify and develop young players in a pro-soccer environment such as Canada.

In order to fully exploit these opportunities, it is essential to develop a viable and credible professional soccer league in Canada. From this solid foundation, the league can be further enhanced with strong relationships in the global soccer community. This is especially critical in terms of attracting the traditional soccer fan to the Canadian game. While there will be a significant fan base for the league from youth players and their families, the key to attracting the more hard-core fans will be credibility. The road to credibility for Canadian soccer will be much smoother with strategic alliances.

The CUSL is in a strong position to initiate these critical relationships and enhance the overall viability of the Canadian game.

THE BUSINESS STRATEGY

The objective of the CUSL is to bring professional soccer back to Canada, and to help implement a unique business model which will see the sport not only survive, but thrive.

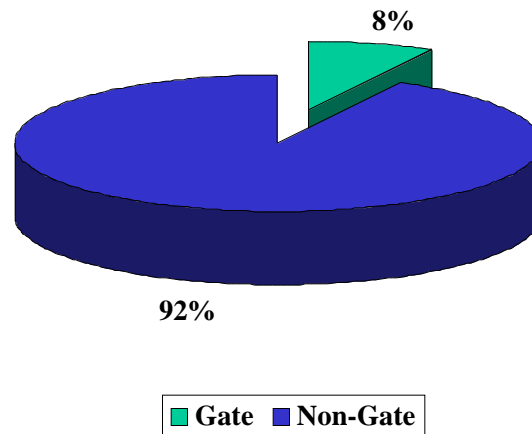


The overall business strategy of the CUSL incorporates a vast array of initiatives that seek to take advantage of the variety of opportunities currently available in the Canadian market. These initiatives are based on traditional as well as innovative business development ideas.

The central concept in the CUSL strategy is the realization that success will be dependent on more than just the ability to create a league of soccer teams with talented players. The strategy recognizes that sports are increasingly seen as entertainment and that the league must present soccer games as an event, with all of the requisite marketing and promotional support that this entails.

The business strategy of the CUSL is based on a mix of revenue generation and marketing strategies, as well as a unique ownership and operating structure. Together, these aspects of the CUSL strategy will provide for a stable, financially diverse enterprise that is well positioned to launch this bold initiative.

CUSL Revenue Streams



OWNERSHIP AND OPERATING STRUCTURE

The CUSL will feature a unique ownership and operating structure similar to that of MLS and the new U.S. Women's soccer league, WUSA. According to MLS, "the single-entity concept allows teams to operate autonomously in their markets, but with the incentive to see that all teams are financially successful." This single-entity structure will enable the CUSL to avoid many of the pitfalls that have plagued previous attempts to bring professional soccer to Canada, including loss of focus, conflicts of interest and divergent objectives. The single-entity design will provide the CUSL with the ability to:

- i) Limit the financial disparities between large and small markets, helping to ensure that the financial stability of all teams is considered and addressed.
- ii) Offer commercial affiliates an integrated sponsorship and licensing program that will ultimately create greater partner and sponsor awareness across the country.
- iii) Decrease the opportunity for "sponsor ambush" by creating a stronger entity that can negotiate for the league as a whole.
- iv) Gain economies of scale in purchasing power and cost control, allowing the league to minimize operating costs and resulting in a lesser burden on revenues, especially in the early, formative years.
- v) Make decisions in the best interest of the entire league rather than just one team.

The single-entity structure will, in general, centralize team management and operations, which will ultimately reduce the effort required to support the league, especially in the areas of marketing and finance. This will simplify the management of the league, significantly increasing the probability of success.

With a single-entity structure, the CUSL can offer corporate partners excellent exposure for each team. The league title sponsor(s) will have their logo featured prominently on team jerseys, advertising boards surrounding each field, and the league cup competition. Additionally, interested corporations will only need to interface with the league entity, not with several teams or players in order to develop sponsorship and endorsement agreements.

MARKETING STRATEGIES



One of the most powerful elements of the CUSL will be the development and implementation of a unified and aggressive marketing program. As a single-entity league, the CUSL is in a strong position to devise and deploy a total marketing strategy based on achieving all of the objectives of the league. This strategy will encompass traditional and innovative methodologies to create a diverse mix of marketing vehicles, designed to appeal to a broad audience.

In general, the marketing strategy will be focused on the key pillars of advertising, promotion and sponsorship. In addition, the league will take advantage of new media opportunities and leverage the capabilities of technology to create stronger relationships with fans and supporters, extending the CUSL brand beyond the traditional domain of sports marketing.

The fundamentals of the marketing plan are based on the objective to increase participation from Corporate Canada, the traditional soccer fan, and the new fan base coming from the grass roots youth segment. All three of these initiatives are critical to the success of the league and the CUSL has considered all of them in great detail in preparing this plan.

In order to generate interest from Corporate Canada, the CUSL business plan places emphasis on the fact that the appeal of soccer provides a number of benefits to companies. The key benefit is the fact that the game will be supported by relatively new or previously untapped demographic segments in Canada.

The CUSL expects the fan base to include the traditional soccer fan as well as the newer youth and family group. Corporate marketing programs can be designed and delivered to appeal to these two key groups. Canada is home to millions of “traditional” soccer fans. These are individuals who have come to Canada from nations where soccer is very well established and generates significant fan interest and loyalty. Even though they may be great distances from their native country, they maintain an interest in the game that they love and the clubs that they follow. The CUSL hopes to be able to leverage this interest in the game by creating alliances with the premier clubs of the global soccer community. Such an undertaking will provide credibility to the CUSL and will ensure interest in the Canadian league.

The other key aspect of the marketing strategy is the creation of a new demographic based on the youth players of Canada. With participation in the game growing significantly each year, there are two unique opportunities. The first is a large and growing fan base for the CUSL and its teams. Young players will be excited about the variety of initiatives that the league will be undertaking in order to bring professional soccer to the Canadian fan. Additionally, young players will be able to identify with the CUSL soccer stars and choose their heroes, undoubtedly increasing the interest in, and loyalty for, the Canadian league.

Second, there is a potentially lucrative target market being formed by the grass roots growth in the game. Youth players and their families are responsible for billions of dollars of spending on a wide variety of products and services. Corporate marketers will be able to focus efforts on this demographic in an attempt to increase brand awareness and loyalty. This demographic will be created almost instantly from the large existing base of youth players. The CUSL, by its very existence, will help to create cohesion in this group and many of the activities undertaken by the league will provide ideal marketing opportunities for companies.

Related to the growth and development of the fan base is the implementation of affinity programs to foster fan loyalty, including the CUSL Club Card for the youth segment and the Patrons Program for the diehard fan. These initiatives expand the reach of the league and create tighter relationships with the entire fan base. These key features of the CUSL marketing strategy are further detailed in the following points:

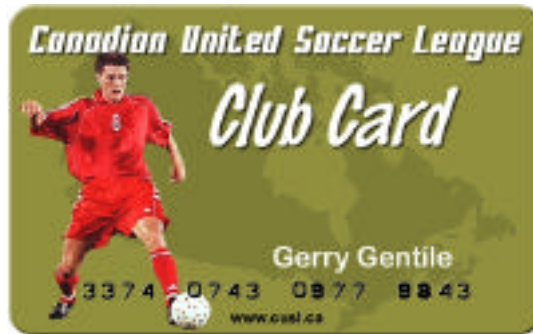
- i) **Soccer Canada Club** – the league will be the primary force behind the Club, which will seek to generate a membership of all youth players, coaches and families across the country. There will be two levels of membership: the standard membership and the Gold membership, which

will offer enhanced benefits, including a season ticket pass and special grand prize draws. The standard membership will be free for all registered youth players and available for \$10.00 to non-players. The gold membership status will be available to registered youth players for \$10.00 and to non-players for \$20.00. Possible characteristics of this program include:



- a. an electronic membership card (“smart card”) entitling members to benefits and discounts at local and on-line retailers.
- b. a specially priced season ticket pass to all games played by the local CUSL team
- c. weekly prize draws
- d. corporate-sponsored bus transportation to the game
- e. a T-shirt with the sponsor logo
- f. a monthly magazine and regular Email bulletins containing news and information about the league and its players as well as general soccer content
- g. access to the CUSL website
- h. special parties and “meet the players” events

Each time the electronic membership card is used when making purchases at participating sponsor partner locations, the user gets a discount or special benefit. A percentage of the purchase is rebated by the sponsor partner to the CUSL, providing yet another revenue stream to the league. The league will be able to use these proceeds to further develop the game by working with the soccer associations for minor league soccer to institute new programs and initiatives.



- ii) **Patron Program** – a Patron is a supporter of the game who receives recognition by the level of his or her support. Potential benefits include such things as league paraphernalia, exclusive draws for “Dream Camps”, special event (including Olympic and World Cup) tickets, “meet the players” events, members-only lounge access, preferred seating, and special parties and other events. These patrons, whether corporations or individuals, will also be eligible for special access to players for league special events or in-house promotions or activities.
- iii) **Support of provincial associations** – the CUSL will be a proud supporter to youth amateur soccer in Canada, increasing its profile among the young players and their families.
- iv) **Fan loyalty programs** – the CUSL will implement programs, including the Soccer Canada Club that recognize the involvement of fans and seek to reward them for their continued support. Other initiatives include media/fan parties with the athletes and a program where Club members bringing a friend to an event qualify for special prizes.
- v) **Event management** – the league will sponsor and be involved in supporting both sporting and non-sporting events across the Canada in order to broaden its exposure in a grass-roots manner, ultimately increasing brand recognition for the CUSL and its teams and players.
- vi) **Signage** – Attractive and colourful signage for the league will be designed and placed in prominent locations at all CUSL events, including stadium boards at soccer games.
- vii) **Print materials** – the league will design and develop a suite of attractive game programs, schedules, calendars, team yearbooks and other peripheral materials. These materials will be handed out at all league games and other events that the CUSL is involved with.

- viii) **Apparel** – the league will design and develop a line of cool T-shirts, warm-up suits and caps that will appeal to players and non-players alike.
- ix) **Merchandising** – league apparel and other items will be available at reasonable costs through CUSL kiosks located within each location of a national retailer, as well as in stadiums and events the CUSL is involved with.
- x) **Media advertising** – the league will place advertisements in prominent publications and on appropriate television and radio programs.
- xi) **Advertising** – a variety of initiatives including the development of kiosk displays, such as a touring train display with VIA rail, and the creation of specific ethnic advertising campaigns with individual communities in order to capitalize on the passion for the game of the traditional soccer fan. A variety of cooperative initiatives advertising with corporate partners to launch.
- xii) **Fantasy camps** – the league, through its affiliation with premier clubs in Europe, will be able to run soccer camps for fans and players of all ages, bringing top players in to perform clinics and provide inspiration.
- xiii) **Cross Promotions** – the league will develop cross promotions with the media enabling them to keep excited about what the CUSL is doing and to get their buy-in to the objectives of the league, as well as with retailers in which tickets to games will be given away through incentives and promotions and coupon booklets will be available to Club members.
- xiv) **CUSL Promotional Bus** – a renovated school bus decorated with large bold graphics will travel around the country attending schools and community events in order to promote the league and lend support to a wide variety of community initiatives, including “stay in school”, “don’t smoke”, etc.
- xv) **Multimedia** – the league will produce videos & CD’s of game highlights and entertainment for fund raising purposes (such as the Don Cherry “Rockem Sockem” series).
- xvi) **Dance/Entertainment** – the league will create dance / cheerleading teams for half-time shows, mall appearances, appearance at sponsors events, etc.

- xvii) **Tournaments** – the CUSL will develop and market tournaments that are specific to corporate partners and retailers, as well as an All Canadian Cup competition modeled on the FA Cup and the Lamar Hunt US Open Cup competitions. Awarded annually, this new competition would be open to all -affiliated teams playing at the senior amateur level or above. The goal will be to include teams from all regions across the country, increasing the profile of the amateur game, and the CUSL’s support of it.

- xviii) **Internet** – the league web site will be very innovative, cutting-edge and informative. Partnerships with prominent e-business partners will provide e-commerce merchandising and promotional opportunities to the fans and content will be designed to encourage site visits. Using the potential of modern media, it will be possible to present customized web casts and news programming to complement traditional television and radio broadcasts.

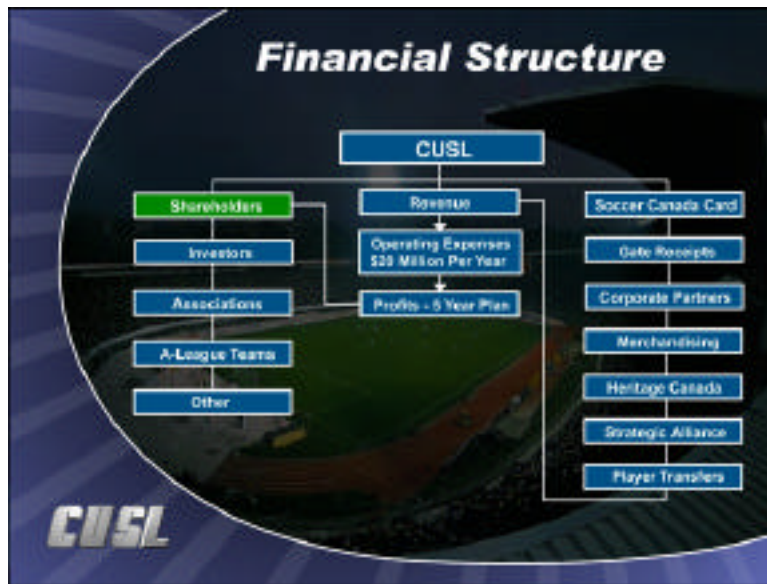
- xix) **Local Celebrities** – the League will actively promote local team players as “heroes” to further raise community support and awareness.

- xx) **Internet** – the league web site will be very innovative, cutting-edge and informative. Partnerships with prominent e-business partners will provide e-commerce merchandising and promotional opportunities to the fans and content will be designed to encourage site visits. Using the potential of modern media, it will be possible to present customized web casts and news programming to complement traditional television and radio broadcasts.

The recent Sydney Olympic experience reinforces the Internet as a content distribution vessel, as further evidenced by the changing landscape of Internet portals and media organizations. The demand for viable content is constantly growing and the CUSL can leverage this need. Where television might show a few highlights, it is technically possible for the league web site to show all the goals scored at a given time using streaming video technologies.

While a radio station might mention the scores at other games, CUSL fans will be able to see complete match reports and statistics instantly. Each visit also to the site also provides the opportunity for advertising revenue. Beyond the basic computer and browser model are personal digital assistants and browser-enabled cellular telephones to stream content and advertising directly to the fan, wherever they may be.

REVENUE GENERATION STRATEGIES



The key revenue concept for the CUSL is the fact that the league will not need to rely on gate receipts as a prime revenue source. The league will be able to leverage a number of other revenue streams in order to fund operations and ongoing development. This innovation is a significant departure from the standard sports enterprise business model and is indicative of the type of thinking and planning that is going into making the CUSL a success.

It is also important to recognize that many of the revenue generation strategies and initiatives are based on partnerships. The CUSL believes strongly in identifying the potential benefits to all of the game's stakeholders and attempting to find unique and innovative ways to attain these benefits. The success of the CUSL will not be in isolation and the leagues commitment to the growth of the game in Canada is expressed in the various strategies detailed in this section.

The following revenue generation strategies are planned for immediate implementation at the time of the league's launch:

- i) **CUSL Club Card** – all players registering through their provincial associations will become a member of the Club free of charge. Each member will receive a membership card and benefits, including discounts and special offers, as well as a CUSL-specific magazine, advance notice of events, and preferred seating at games. The Club card will be the key to attaining such benefits and will be a prime driver of revenue, through transaction and

registration fees, for the CUSL. Non-registrants can join the Club and receive the same benefits by paying a nominal \$10.00 annual membership fee. This registration fee is expected to generate a significant amount of revenue on an annual basis considering the growth in the game. The CUSL believes that many parents and other fans will support the program with the purchase of these Club Cards.

- ii) **Corporate Partner** – (the Soccer Canada Club Partner with three levels: national, regional, and local). These corporate partners are the merchants, retailers and service providers that wish to be aligned with the Club by offering discounts and benefits to members in exchange for promotional consideration and partnership opportunities. The partners can participate in the program in one of two ways: through transaction fees that are accrued at the time one of the members uses their card, or a program where the partner pays a one-time only fee for participation.

Transaction and participation fees will be paid to the CUSL on an ongoing basis and will increase as the league develops and additional corporations want to become involved. The league expects significant interest in the program due to the win-win-win nature of the partnership. Club members will receive discounts and other benefits; the league will receive transaction or participation fees from partners; corporate partners will be provided with the opportunity to participate in a wide variety of events to further enhance their exposure to the unique marketing demographic offered by the CUSL.

- iii) **Patron Program** – Patrons are individuals who wish to support the league through financial donations. Patrons will receive recognition based on the level of their support. The league believes that this program will be very successful since there are two key opportunities to be addressed. First, many corporations will embrace the program as an affordable way to become involved in the sports and entertainment industry. Companies will be able to use their benefits in their own corporate initiatives, holding customer and employee nights at games or arranging autograph sessions and speaking engagements with the players. In the other major sports these activities are extremely profitable and the CUSL expects to leverage some of this success.

Second, families and fans of the game will be enticed to participate at this enhanced level in order to gain access to exclusive benefits and to experience the game in a new way. Again, the CUSL expects significant interest in this area will strive to ensure that the Patron Program is well-structured and provides individuals with a positive experience in the game.

- iv) **Merchandising** – team and player-specific clothing, equipment, and other articles will be developed and licensed. It is expected that jersey sales will be relatively high if alliances can be created with established European clubs, allowing CUSL team to share brands. Currently, one national retailer has agreed to setup CUSL kiosks in each of their stores.
- v) **Advertising** – advertising on jerseys, stadium boards, web site, magazines, and game programs will be sold to corporate partners who will be able to see the value of this demographic through the success of such grass-roots campaigns as the Soccer Canada Club.
- vi) **Sponsorship** – teams and the championship cup will be sponsored by one or more corporate entities that wish to enhance a partnership relationship with the league, and by extension, the players, coaches and families.
- vii) **Television** – as the popularity of the game grows, licensing fees from television is expected to become a future source of revenue.
- viii) **Transfer Fees** – in the near future, when world-class players begin coming through the CUSL system, transfer fees will potentially be the largest non-gate revenue stream. It is expected that several European professional teams will have interest in Canadian talent. The average youth prospect is sold for approximately \$3.5 million in Europe today.
- ix) **Gate Receipts** – Soccer Canada Club members will receive specially priced tickets for entrance to the games, but it is expected that in year one there will be two thousand five hundred paid (2,500) attendees paid attendees at each game.
- x) **Concessions** – concessions at games are a highly profitable operation and the league expects to generate healthy revenues from food and beverage sales.
- xi) **Dream Camps** – these events have been successful in other major sports as a way to encourage participation and to provide on-field experiences for supporters of the game.

ALLIANCE WITH THE A-LEAGUE

The CUSL is aware that there are many different opinions on how to proceed with professional soccer in Canada. There are those who feel that Canada should have a domestic league of its own and those who feel a Canadian division within the A-League makes more sense.

The key point, for the CUSL, is that a poorly funded, marketed, managed and supported club would eventually go out of business regardless of which league it played in. This is the driving force behind the creation of the CUSL business model: once the financial foundation is in place, it would be apparent how the league should be structured. The CUSL has been structured with a strong financial model as the foundation. Indeed, among the key points of this business plan are the opportunities that the league will be able to undertake in order to generate revenue in many new and exciting ways.

The argument for a Canadian Division of the A-League is based on the stability of the league as the major benefit. This is a very strong argument since even if the other teams within Canada should fold, the existing A-League teams will still be able to play and stay in business. Given the troubled history of professional soccer in Canada, this is a real factor in the decision facing the A-League teams.

There are other factors that warrant consideration, including the lower travel costs incurred by these teams if they do not have to travel across Canada in order to play their games. Certainly, budget is a very relevant issue for these clubs.

Additionally, there are concerns about the quality of play in Canada today. There just are not enough talented players to fill an entire domestic league and still compete with an average A-League team. This is part of the mandate of the CUSL, however to do so adequately will take time.

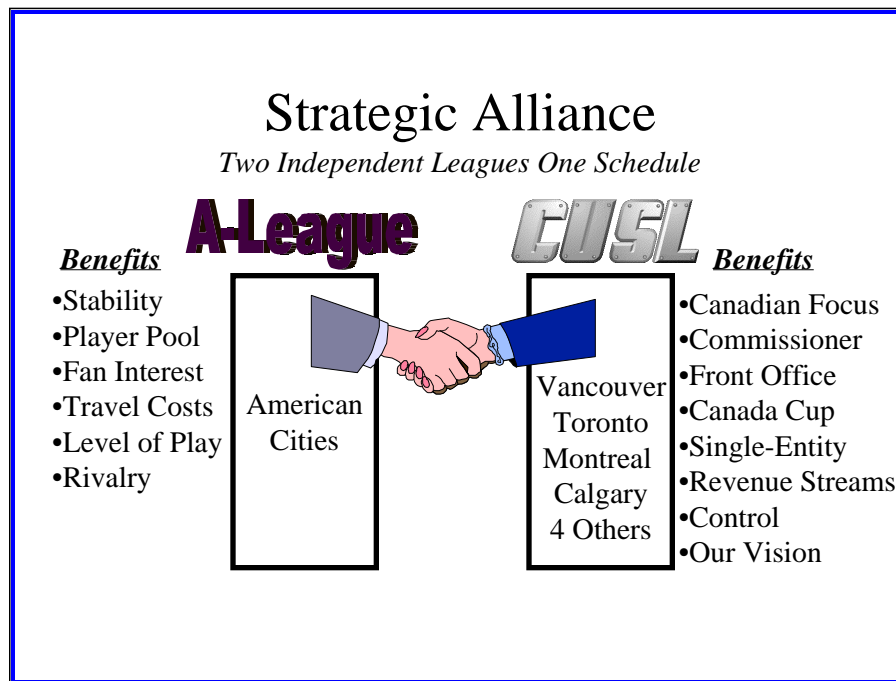
The argument in support of a Canadian domestic league notes that the A-League is really an American league. It is operated by Americans, and it expects to generate the bulk of interest and support in the US. Unfortunately, it is also quite clearly a second division league to the MLS. This fact is troubling to many Canadian soccer fans, who have voiced passionate opinions that the future of the game in Canada should not be based on a second division American league.

Additionally, there is a strong perception that Corporate Canada and Heritage Canada are much more receptive to supporting a league with a Canadian face, a Canadian agenda and a Canadian vision.

The CUSL also notes that there is a third option for the implementation of the league. A hybrid solution would see an independent single-entity Canadian United Soccer League, with a Canadian commissioner and a Canadian agenda and a Canadian Cup competition, with a strategic alliance and long-term agreement with the A-League.

This agreement would see the four Canadian A-League franchises (the existing three, plus the Calgary franchise that commences play in 2002) roll their assets into the CUSL in exchange for shares of the whole league, but still operate their clubs as they have in the past. The key difference would be the availability of more funding and support.

These teams will still enjoy the benefits of a full interlocking schedule with the A-League, but would also be part of a Canadian solution, which would include 4 other Canadian cities. For the CUSL, this provides an opportunity to leverage the knowledge and skills of the three existing teams.



BENEFITS OF A CUSL

Though many of the benefits that will be derived from the successful launch of a professional soccer league in Canada are obvious, there are many more that should be specifically identified. This section of the plan lists the key benefits expected to be derived as a result of the launch of the CUSL.

For the soccer associations, amateur and youth soccer, and the Canadian game in general, the CUSL will provide the following benefits:

- i) An ability to increase the presence of the game across the country by expanding the league and teams
- ii) Enhanced relationships between the associations, amateur leagues and provincial semi-pro leagues
- iii) Establishment of youth academies operated by each CUSL club
- iv) Creation of a facilities fund in conjunction with federal, provincial and municipal governments to provide for better soccer venues and training facilities across the country
- v) Improved opportunities for national team development
- vi) Establishment of a women's CUSL mirror image league

For Corporate Canada, the CUSL will provide the following benefits:

- i) Creation of a new grass roots demographic group with high growth potential
- ii) Promotional, partnership and sponsorship opportunities
- iii) Opportunity to be involved in grass roots and community-level programs and initiatives

For investors, the CUSL will provide the following benefits:

- i) An opportunity to get in on the ground floor of a high-potential sports and entertainment enterprise
- ii) An opportunity to work closely with corporate partners in the development and implementation of unique and exciting initiatives and programs
- iii) An opportunity to create the foundation of a new league that will revolutionize the way soccer is played and viewed in Canada

APPENDIX A: HISTORY OF PROFESSIONAL SOCCER IN CANADA

Professional Canadian soccer clubs participating in professional leagues is not news. Over the years, Canadian clubs have been very well represented.

The Eastern Canadian Professional League (ECPSL): 1961-1966

The ECPSL began operating in 1961 with four teams. The league president was Harold Ballard better known in later years for his association with the Toronto Maple Leaf Hockey Club.

United Soccer Association (USA): 1967

The USA began operating in 1967 with 12 teams. Each of the 12 cities involved invited a foreign team to represent them. In this the first season, there were two Canadian cities involved – Toronto and Vancouver. The Scottish club Hibernian represented Toronto City and Vancouver Royals were represented by the English club Sunderland.

National Professional Soccer League (NPSL): 1967

The NPSL began operating in 1967 with ten teams. There was one Canadian team Toronto Falcons, owned by Joe Peters. Its players were recruited from various parts of the world but with a large percentage of Spanish speaking members.

North American Soccer League (NASL): 1968-1984

There were five Canadian franchises over its history, Toronto (Falcons, Metros, Metros-Croatia and Blizzard), Montreal (Olympique, Manic), Vancouver (Royals and Whitecaps), Edmonton Drillers and Calgary Boomers.

The Toronto Metros-Croatia won the championship in 1976 and the Vancouver Whitecaps in 1979. The Toronto Blizzard team was defeated in the finals in 1983 and 1984.

Western Canada Soccer League (WCSL): 1969-1970

The Western Canada Soccer League survived for about a year.

Canadian Professional Soccer League (CPSL): 1983

The CPSL began operations in 1983 and only lasted about two months. The teams were, Edmonton Eagles, Hamilton Steelers, Inter-Montreal FC, Mississauga Croatia SC, Calgary Mustangs and Toronto Nationals.

Western Soccer Alliance (WSA): 1985-1986

Canadian teams were part of this American League in 1985 and 1986. The Western Soccer Alliance eventually became the Western Soccer League and then merged with the American Soccer League to become the American Professional Soccer League (APSL).

Canadian Soccer League (CSL): 1987-1992

The first attempt to form a truly national league in Canada, the CSL, was formed in 1986 and began play in 1987. There was an Eastern and Western Division with interlocking play. However, after a promising start, the league folded following the 1992 season.

American Professional Soccer League (APSL): 1990-

Formed in 1990 by the merger of the American Soccer League and the Western Soccer League, the APSL did not have a Canadian team in the league until the Canadian Soccer League folded in 1992. In 1994, the Toronto Rockets joined Vancouver and Montreal, but folded at the end of the first season.

The APSL became known as the A-League in 1996 and in 1997, came to an agreement with the USISL and a number of new teams were introduced expanding the league into four sections. Montreal and Vancouver remained in membership and were joined by a new team, the Toronto Lynx. In 2002, the Calgary franchise will commence play.

In order to successfully launch the CUSL, it is essential to understand what these previous leagues faced and the mistakes that they made, including:

- i) Under capitalization and non-existence of a national marketing strategy.
- ii) Instability among the franchise owners.
- iii) Unrealistic attendant estimates.
- iv) Dependence on gate receipts for income.

The CUSL is well aware of the past experience and has created a business plan that addresses each of these critical mistakes. This blueprint is the result of significant effort to avoid the pitfalls of the past and a focus on innovation in the creation of a sporting enterprise.

APPENDIX B: FACILITIES

The CUSL will commence playing in existing stadiums, where minor renovations will be pursued to ensure adequate amenities. FIFA's decision to allow the use of artificial turf will be a benefit for Canadian venues (such as Frank Clair Stadium and the planned new Varsity Stadium).

Over the short-term, the CUSL will be able to utilize the existing small venues in major Canadian centers. This will have a number of benefits, especially in reducing capital requirements in the early stages of the league.

In the mid-term, the CUSL will be able to undertake a program to retrofit existing large stadiums with portable seating moved closer to touch lines in order to maintain an intimate soccer atmosphere yet satisfy the demand for seats.

Finally, in the long-term, the CUSL, together with all three levels of government, will embark on a plan to build intimate, soccer-specific facilities. Although many of the potential markets do not offer a soccer "experience", the financial objectives set forth in this business plan will make it possible for new facilities conforming to CSA and FIFA standards to be constructed across the country.

Financial involvement by the CUSL to build suitable stadiums will be critical to the success of the CUSL. Without such funding, the development of adequate soccer facilities over the short- to medium-term without significant private sector funding is highly unlikely.

All newly constructed, renovated or retrofitted stadiums will be enclosed and will comfortably provide seating for realistic attendance targets of a minimum 5,000 fans. As MLS has discovered in the United States, intimate European-style venues significantly improve the fans' enjoyment of the game. There will be adequate parking and well-planned concession facilities to enhance the CUSL experience.

The list on the following page identifies the key Canadian markets and, where applicable, the stadiums that are immediately available for CUSL matches with their capacity.

EXISTING STADIUM FACILITIES IN KEY MARKETS

Stadium	City	Capacity
McMahon Stadium	Calgary	37,317
Commonwealth Stadium	Edmonton	62,000
Centennial Stadium	Kitchener	3,000
Birchmount Stadium	Scarborough	3,000
Centennial Stadium	Mississauga	4,000
Ester Shiner Stadium	North York	2,000
JW Little Stadium	London	6,000
TBD	Halifax	TBD
Brian Timmis Stadium	Hamilton	5,000
Stade Claude Robillard	Montreal	9,000
Civic Stadium	Oshawa	2,500
Frank Clair Stadium	Ottawa	28,500
PEPS	Quebec City	8,000
Taylor Field	Regina	27,000

Club Roma Stadium	St. Catharines	1,000
TBD	Saskatoon	TBD
Varsity Stadium	Toronto	9,000
Windsor Stadium	Windsor	1,000
Winnipeg Soccer Stadium	Winnipeg	10,000
Swangard Stadium	Vancouver	8,000
Royal Athletic Park	Victoria	5,700

APPENDIX C: OPERATING CHARACTERISTICS

LEAGUE STRUCTURE AND BUDGET

- Organized and controlled by a single entity
- Team operating budget not to exceed \$1.9million

LEAGUE LOGISTICS

- Between 8 to 12 teams ideally in an “east – west” format
- Start with 8 teams in the spring of 2002:
 - >>4 A-League franchises (Toronto, Montreal, Vancouver and the new Calgary franchise that commences play in 2002) and 4 new entries
- Increase to 10 teams for the 2004 season
- Increase to 12 teams for the 2006 season
- Major markets with population over 200,000 people
- 🕒 Interlocking Schedule With A-League

ATTENDANCE

- Seating capacity between 3,000 and 5,000
- \$10 average adult admission price

MARKETING AND COMMUNICATIONS

- Alliance with Sports Marketing firms such as Sports Plus or IMG and *Fantactics*
- League controls all sponsorship and marketing revenue

APPENDIX D: CRITICAL SUCCESS FACTORS

The KPMG study noted four critical success factors for a professional soccer league in Canada. It is believed that failure to satisfy any one of these factors would severely impair the probability for success. The CUSL was mandated to prepare a business plan that took these issues into consideration. This appendix identifies those factors and notes the manner in which the business strategy addresses them.

Factor 1: Proponents – each team must have the long-term support of a financially-capable, qualified ownership/management group.

The CUSL will be a single-entity league with a diverse and innovative revenue stream capable of supporting both league operating expenses and the long-term development plans for Canadian soccer.

Factor 2: Long-term financing support – whether at the team or league level, sufficient financial resources must be in place to ensure the stability of the league (and potential operating losses) over a period of at least five years from the date of commencement.

The CUSL will implement a number of agreements with large corporate partners to be financially involved with the league over a minimum five-year horizon, providing stability to the long-term financing of operations and development plans.

Factor 3: Venues - the playing surfaces and surrounding spectator amenities (ie: seating, concessions, parking) must be commensurate with a professional league.

The CUSL has identified a number of appropriate venues for the launch of the league and will be working pro-actively with the CSA and provincial associations to fund the development of world-class facilities immediately through a number of innovative revenue generating activities.

Factor 4: Organization structure – the league itself must be managed in a professional manner by individuals with direct relevant expertise and the absence of conflicts of interest.

Individuals who are intimately and passionately involved in the game have formed the CUSL with a vision of the future of soccer in Canada. These people, in addition, are leading business professionals in their communities and, as such, understand the requirements of running a large, complex venture. The CUSL will also be able to rely on the support and expertise of the associations, existing A-League Clubs and premier clubs in the global soccer community. An advisory board will be formed, made up of individuals who are known and respected for the involvement with the game.

APPENDIX F: 1999 SOCCER DEMOGRAPHICS



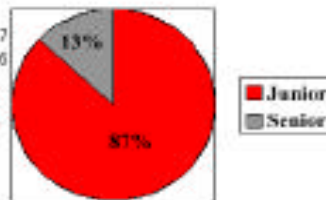
1999 Soccer Demographics

- Total registration for 1999 is 702,609
- Female participation accounts for 36%
- 87% of total registered players are youth (U-19)
- Total Registration has increased by 62,521 players since 1998



JR vs. SR Registered Players

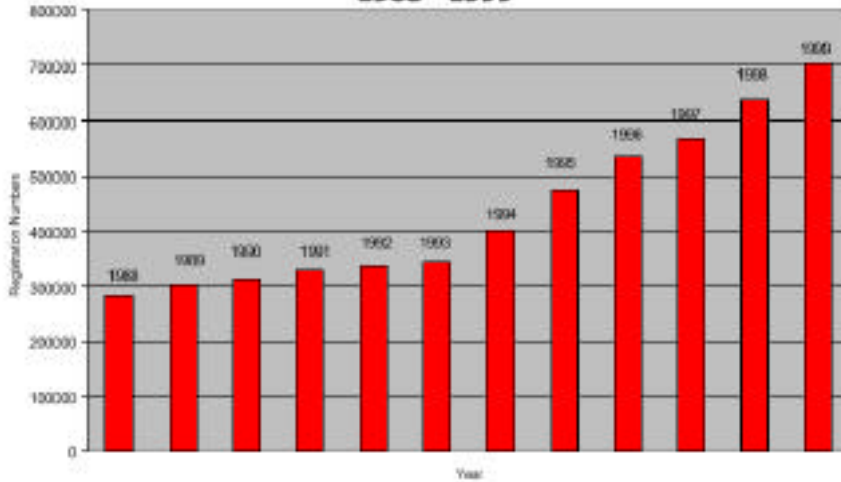
Provincial Association	U-19	SR
Ontario Soccer Association	250,551	47,432
Federation Quebecoise	114,382	7,421
Alberta Soccer Association	65,841	11,817
British Columbia Soccer Association	60,460	15,506
Soccer Nova Scotia	23,102	1,995
Manitoba Soccer Association	17,221	2,062
Saskatchewan Soccer Association	16,438	2,669
Soccer New Brunswick	10,647	818
Newfoundland Soccer Association	8,281	676
Prince Edward Island S.A.	5,516	443
Northwest Territories S.A.	1,425	75
Yukon Soccer Association	1,266	145
TOTAL	611,100	91,509





Registration Growth

1988 - 1999



Provincial Registration

Yearly Increase/Decrease

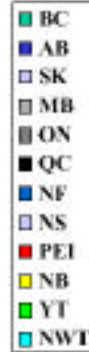
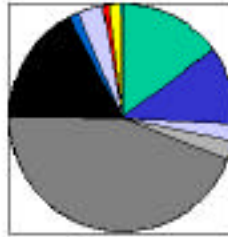
	JR Total	SR Total	1998 Total	1999 Total	%
Ontario	260,561	47,432	283,478	307,993	8.6
Quebec	114,362	7,421	105,871	121,783	15
Alberta	65,841	11,817	67,687	77,658	14.7
British Columbia	86,460	15,906	95,556	102,366	7.1
Nova Scotia	23,102	1,995	23,844	25,097	5.3
Manitoba	17,221	2,082	17,130	19,303	12.7
Saskatchewan	16,438	2,699	17,410	19,137	9.9
New Brunswick	10,647	818	10,240	11,465	12
Newfoundland	8,261	676	8,926	8,937	0.12
PEI	5,516	443	5,822	5,959	2.4
NWT	1,425	75	2,645	1,500	-43
Yukon	1,265	145	1,479	1,411	-4.6
Total	611,100	91,509	640,088*	702,609*	9.8%

* = numbers do not include A-Licence registrations



Registration by Province

- BCSA - 102,366
- Alberta SA - 77,658
- Saskatchewan SA - 19,137
- Manitoba SA - 19,303
- Ontario SA - 307,993
- FQSF - 121,783
- Newfoundland SA - 8,937
- Soccer NS - 25,097
- PEISA - 5,959
- Soccer NB - 11,465
- Yukon SA - 1,411
- NWTSA - 1,500



TOTAL 702,609



Provincial Registration

Yearly Increase/Decrease

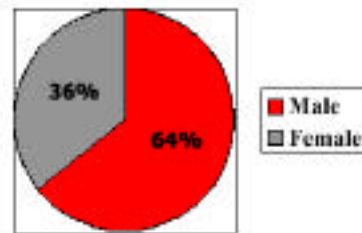
	JR Total	SR Total	1998 Total	1999 Total	%
Ontario	260,561	47,432	283,478	307,993	8.6
Québec	114,362	7,421	105,871	121,783	15
Alberta	65,841	11,817	67,687	77,658	14.7
British Columbia	86,460	15,906	95,556	102,366	7.1
Nova Scotia	23,102	1,995	23,844	25,097	5.3
Manitoba	17,221	2,082	17,130	19,303	12.7
Saskatchewan	16,438	2,699	17,410	19,137	9.9
New Brunswick	10,647	818	10,240	11,465	12
Newfoundland	8,261	676	8,926	8,937	0.12
PEI	5,516	443	5,822	5,959	2.4
NWT	1,425	75	2,645	1,500	-43
Yukon	1,266	145	1,479	1,411	-4.6
Total	611,100	91,509	640,088*	702,609*	9.8%

* = numbers do not include A-League registrars



Male vs. Female Players

Provincial Association	Male	Female
Ontario Soccer Association	192,408	115,585
Federation Quebecoise	80,735	41,048
Alberta Soccer Association	54,306	23,352
BC Soccer Association	70,022	32,344
Soccer Nova Scotia	13,762	11,335
Manitoba Soccer Association	11,568	7,735
Saskatchewan Soccer Association	12,418	6,719
Soccer New Brunswick	7,082	4,383
Newfoundland Soccer Association	5,156	3,741
Prince Edward Island S.A.	3,199	2,760
Northwest Territories S.A.	900	600
Yukon Soccer Association	912	499
TOTAL	452,508	250,101



APPENDIX G: CUSL FREQUENTLY ASKED QUESTIONS (FAQS)

1 - Who Are The Members Of The Working Group?

The members of the working group come from all parts of Canada, including, Victoria, Calgary, Regina, Winnipeg, Toronto, Ottawa, Montreal and Halifax. They are for the most part, successful business entrepreneurs, chosen for their creativity, courage, business and political connections, and their caring attitudes. By that I mean, care for Canada, care for soccer, and most importantly, care for the children who dream of playing the game professionally one day.

They are parents of kids who play the game, they are youth coaches who teach the game, they are sponsors who help fund the game, and they are fans, who love the game.

2 - What Is The Mandate Of The Working Group?

We were asked to review the findings of the KPMG report, to study the economics of soccer in Canada and to articulate what the “next steps” should be in the form:

- ⌚ A business plan that would finally deliver to the long-suffering soccer fans what they have craved for many years. viability, stability and longevity of the professional game.
- ⌚ A business plan that will allow soccer to be played at the highest level across the country.
- ⌚ A business plan with a strong financial model: a model that would allow our clubs, the opportunities, to not only survive, but to actually thrive.

3 – Why Do We Need A Canadian Professional Soccer League?

There are several reasons why we need professional soccer to thrive in Canada. They can be summarized into three major categories.

- ⌚ Research confirms that the appetite for world-class soccer in Canada is strong. Premier League, Champions League, World Cup, Euro Championships and Serie “A” games all enjoy strong ratings growth. We want to satisfy that demand with a local product, which can be viewed live across the country.

- ⌚ Thanks to the excellent work of the associations, their regions and youth clubs, our country already possesses a world class youth structure that is the envy of many higher ranked FIFA countries. The game enjoys the status of being the number one participation sport in Canada and continues to grow at the youth level, faster than our national passion, hockey. We also have excellent existing and emerging, provincially based, amateur and semi-pro leagues. We now need a professional national soccer league to complete the pyramid and tie everything together. By completing the pyramid, we provide a predictable path and a standard synergistic platform, for our brightest young prospects to develop and showcase their talents.
- ⌚ For the most part, fan interest in the game is directly proportional to the National team's World Cup performances. Needless to say the potential to increase the fan base and revenue streams for soccer in Canada is high if we can begin qualifying on a more regular basis for the Olympic and World Cup tournaments.

The bad news is that there are no “quick fixes”. No short cuts. No magic bullets. No corners that could be cut, and no scientific algorithms we could apply to change things over-night. The good news is that the solution does not require knowledge of rocket science. We simply need to develop more world-class players for our national team coaches to select from. To produce world class players, most people will agree, that we need to identify our best talent at the youngest possible age, and expose them to world class coaching, allow them to play and practice in world class facilities, and challenge them with world class competition. Most soccer countries fund these activities through their professional soccer leagues. We need to do the same if we want to compete at a world level.

4 - What About The KPMG Report? Did They Not Conclude That Professional Soccer Was Not Viable In Canada?

Many people were upset, disappointed, or even angry at the report, citing that it was superficial and lacking in creativity. We believe KPMG were simply trying to say, that if we continue to do things as we've done in the past, if we continue to repeat the same mistakes, we would continue to fail. We don't have a problem with that. Besides the game, as we know it, is changing on many fronts, making the opportunity for a pro league to succeed in Canada greater than it's ever been.

5 - What Type Of Changes Are You Referring To?

Soccer is more attractive for investors now than ever before. In general, soccer remains an under-developed market in North America, whether the focal point is player registrations or merchandising or fan base and support. Global fan support is at all-time highs, and the opportunities in licensing, media and new technologies are just beginning

to evolve. There is untapped potential in almost every aspect of the game and the CUSL is uniquely positioned to move ahead quickly in the Canadian arena. Some specific examples of change are:

- ⌚ **From Sport To Business** – First, the beautiful game is still a sport, but it has also become a business. A big business. In fact, the worldwide business of soccer is estimated to be worth more than \$300 billion dollars per year. We have some players today who are being transferred for fees nearing \$100 million dollars. Nike is paying Manchester United \$600 million for the right to have their logo on the team's jersey and the English FA recently announced that their profits rose from less than \$6 million in 1998 to more than \$250 million in the year 2000. These are just a few examples of how the sport has become a big booming business.
- ⌚ **Globalization** – Today's agents of globalization are multinational enterprises, with names like IBM, Toyota, Sony, DELL, Nortel, Seagrams, ...Manchester United, PSG, Juventus, Glasgow Rangers, Real Madrid, and Barcelona. All these corporations see expansion into international markets as opportunities to grow revenues. Most major European clubs are establishing "Supporters Clubs" around the world. And why not? With FIFA confirming, that over 2 billion people tuned into the last World Cup 47 billion times, and that there are more than 200 million registered soccer players around the globe, it hardly takes a genius to figure out why they want to expand their reach, beyond the immediate markets surrounding their home stadiums. A common strategy many European clubs are following, to promote their brand, sell more merchandise and increase Pay-Per-View revenue, is to take equity positions in foreign clubs or leagues. Our research confirms that several clubs view Canada as a lucrative, affluent and highly attractive marketplace for investment. We believe that a strategic relationship with the CUSL is the most effective vehicle for these clubs to increase their market share and awareness of their brand in this country.
- ⌚ **Technology** - Globalization and penetration of foreign markets, is being made easier by advancements in communication technologies. Low cost satellite technology, wireless digital cellular, Internet and other forms of RF technology provide the large clubs and leagues of Europe easy access to any home around the world. According to Lionel Drexler of PSG, within 18 months any fan of the club, regardless of which continent they reside in, will be able to order any PSG game and view it on their television, computer or mobile phone. Already Pay-Per-View multimedia companies such as Canal +, BskyB and TelePiu are providing English, Italian, French, German and Spanish clubs, with billions of dollars in revenue streams that did not exist just less than 5 years ago.

The Internet is another revenue generator just now starting to be understood and exploited by large clubs around the world. Consider the fact that the Sportal.com web site received more than 1.4 billion hits over the 3 weeks of Euro 2000. American company, NTL, has been hired to form a web portal for all 72 English Football League clubs. Why? Because the internet is proving that the fan does not have to be in the stadiums on game

day to become part of the all-important demographic, which the corporate partner is seeking, access to.

Several analysts believe that soccer on the Internet will be a massive money-spinner within 5 years. In a recent edition of Screen Digest, the magazine was quoted as saying “that sports-related web sites, (and especially soccer’s), are emerging as the top scorers in the cyber league of online revenue earners, due to their ability to harvest diverse revenue streams, including e-commerce, advertising and sponsorship. Ad spending will rocket to over \$6.27 billion by 2005, compared with \$612 million in 1999 and online sales of sports merchandise will soar to \$5.8 billion, up from \$186 million over the same period.” We, as Canadians, cannot miss this opportunity. The CUSL will have to embrace it and lead the way.

6 – How Does The CUSL Avoid Repeating The Mistakes Of The Past?

We have reviewed several business plans, statistics, and financial data of past Canadian soccer teams and leagues. In each situation, we have identified a pattern of mistakes and poor business practices, which they commonly made, and which led to their eventual demise. By studying and learning from past failures we can avoid repeating the same mistakes and perhaps apply different strategies this time.

7 – What Are Some Examples Of How The CUSL Will Do Things Differently?

Single Entity Versus Franchise Owners – In the past franchise owners fell into two categories. The small businessperson who was passionate about the game, bought a franchise, but did not have pockets deep enough to sustain steady loses, and eventually had no choice but to fold operations.

The second type of franchise owner was business savvy, had deep pockets, but would also pull the plug, once it became obvious that the return on investment, return on capital and return on asset statistics were far below their other investments.

To avoid this problem, the CUSL will implement and operate as a single-entity corporation with fully owned subsidiaries in each major market. The CUSL will be structured as a single-entity league, where all teams are owned and run by the league. The advantage is that league administration will be able to operate the teams in accordance with the goals and objectives of the entire league and will not be subject to the whims of individual team owners seeking their own gains. For investors, this means a singular focus is driving the enterprise.

Non-Gate Revenue Streams – In each case, the franchises of the past failed because of their heavy dependency on gate receipts for survival. Contrary to popular belief, as a

business, sporting ventures provide a very attractive vehicle to exploit a wide variety of non-gate revenue generating opportunities. In Canada, this has not been done to any great extent with the sport of soccer. The CUSL has identified a number of mechanisms to generate revenue for the league and, as such, the league will not need to rely on gate revenues to fund operating expenses.

Creation Of A New Fan Base – Corporate Canada will provide as much funding, as we require, supporting all of the programs we wish to implement across the country, ...for as long as we wish. No I'm not kidding and I haven't lost my senses. However, first we need stop looking at them merely as sponsors or advertisers and begin viewing them as potential partners. And as with any good partnership, we need to establish a win-win relationship. Corporate Canada will provide the CUSL with direct funding, access to company resources and marketing assistance if we can articulate how we develop, nurture, manage and maintain a demographic which they have targeted and deem as strategically important. In other words, if we give them what they want, increased market share, they will give us what we want, revenue streams and marketing support.

To accomplish this, our business plan focuses a great deal of attention, on strategic initiatives with the provincial associations, to create a national fan base, comprised of most or all of the 700,000 plus, registered youth players across the country. Specifically, the 8 to 18 year olds. Why them? Because Corporate Canada is desperately trying to find, invest in, or leverage marketing vehicles that reach and hold that demographic. It's not surprising to see why, when you understand the buying habits and potential of this market segment.

For example, the collective purchasing power of the youth soccer players in Canada is estimated to be greater than \$1 billion, and more importantly, their influence on family purchases is thought to be greater than \$12 billion. That's why many marketing firms refer to the 8 to 18 year olds as "The Influencers".

Games As Entertainment Versus Sports – Its clear, people don't go to matches to merely watch a soccer game. They go to be entertained. The working group has spent a great deal of time studying best-in-class examples of event-driven entertainment, sports franchises and leagues. The CUSL recognizes the importance of making sports entertaining. In today's fast-paced world, there is an emphasis on getting more from every minute. In the world of sports, this can be achieved by combining a traditional sporting event with elements of entertainment, including music, video, dancing, etc. The NBA revolutionized this concept and other sports have followed suit to varying degrees. In order to appeal to a broad fan base, soccer in Canada will have to adopt this approach as well. The by-product of this is the appeal of branding and merchandising that will extend far beyond the soccer pitch.

A New Attitude: Thrive Instead Of Survive! – The most distressing part of reading all those old business plans was the defeatist attitude prevalent through out the documents. They talked of breaking even, obtaining grants, getting handouts and just simply hanging

on. We want the CUSL to not only survive but to actually thrive and prosper. Anything less is not acceptable.

8 – Share With Us Some Of The Critical Elements Of The Business Plan.

We've broken the business plan down, into what we call the 3 Pillars Of Success:

- ⌚ Fan Loyalty or Affinity Programs
- ⌚ Establishing Corporate Partnerships
- ⌚ Forming Strategic Alliances

Fan Loyalty & Affinity Programs – This is the most important element of our business plan. If we do this right, establishing corporate partnerships and the revenue streams they bring will become significantly easier. In other words, this is where the creation of the target demographic occurs, with the introduction of the Soccer Canada Club.

The Soccer Canada Club will be a free program for all the registered soccer players across Canada. The program will include:

A Personalized Smart Card, which will afford the holder, discounts, bonus products and prizes from participating retailers.

Access to the CUSL members' web site, so cardholders can see if they've won any of the weekly prizes. Prizes will include signed balls, jerseys, soccer boots, and other CUSL and European Club autographed merchandise. Each time a purchase is made using the Soccer Canada Card, their name is entered into the weekly draw. Each time they attend a game and have the card swiped, they become eligible for monthly and seasonal grand prizes, such as admission to Fantasy Camps, UEFA event tickets, European Soccer Vacations, World Cup and Olympic tournament tickets. In addition, they get:

- ⌚ Free Subscription to the CUSL Magazine
- ⌚ Free Subscription to the CUSL Internet Magazine
- ⌚ Opportunity to purchase a \$10.00 Season Ticket Pass or \$2.00 admission price for any regular season game.

The Patrons Program – This is a highly successful program for the Canadian Basketball Association and several European Soccer Clubs. It is designed for the fanatic who is willing to pay \$1000.00 per year to gain the following privileges:

- ⌚ Season Ticket Pass for all exhibition, regular season, play-off and Cup games.
- ⌚ Preferred Seating Selection
- ⌚ First choice of available World Cup, Euro and Olympic venue tickets.
- ⌚ Access to “members only” lounges with a guest, where they can meet the players and coaches after a game.
- ⌚ Fantasy Camp admission
- ⌚ Signed team jersey or ball of preferred player.

Corporate Canada Relationships – Several Corporate Partners have already agreed in principal to financially support the CUSL if we successfully implement the Soccer Canada Club Program. In other words, if 700,000 plus youth players between the ages of 8 and 18, are carrying and using the Smart Card, companies who sell fast food, entertainment products, clothes, music, snacks, video rentals, concert tickets, books, theatre outlets, shoes, and other products aiming to reach “The Influencer” of the household, will want to participate in the program.

Their participation with the Card Program can either be transactional or annual fee based.

CUSL Web Site – The web site will enjoy significant traffic from Soccer Canada Club members wanting to see if they’ve won prizes. Obviously when they are there, we will keep them there with exciting and interactive content. The more visits to the site, the greater corporate revenue generation capacity we can derive from the site. Eventually, we would like to see all national and provincial web sites, as well as youth, semi-pro and professional clubs linked to create one significant web portal for Canadian soccer fans. The potential for revenue sharing at all levels would be mind boggling, “if” we can tear down the cyber borders.

Merchandising – We are negotiating an agreement in principal with a well-known national retailer, to setup CUSL Merchandising Kiosks in all their stores across the country.

Ticket Promotions – Several Corporate Partners have agreed in principal to purchase and distribute tickets to their customers through unique cross marketing promotional strategies.

Strategic Alliances – Thanks in large part to a relationship one of our working group members has with Sport +, a major sports marketing firm based in France, we have met with several top European Clubs to negotiate possible win-win strategic alliances between them and the CUSL. We're encouraged and frankly, a bit surprised by the strong and positive response we have received so far.

9 - How Would Those Alliances Work?

Right now all discussions and agreements are in principal only. Until the CUSL business plan has been approved, none of us is in a position to sign binding contracts. However, I can tell you that it would look something like this:

- ⌚ Each CUSL club would have a direct affiliation to a European Club.
- ⌚ The CUSL club would be allowed to use the European's Club brand. By that we mean team colors and full kit. I.e Montreal PSG or Toronto Lazio.
- ⌚ The European Club would send three youth prospects and one twilight player to play for the CUSL club each season.
- ⌚ The European club would send one or two members of their coaching staff to support the CUSL club, run academies and scout for potential Canadian players to play in Europe.

In the true spirit of a win-win partnership, both the European Clubs and the CUSL would benefit from this arrangement. The European's would get what they want:

- ⌚ Brand Recognition & Market Share
- ⌚ Merchandising Revenue
- ⌚ Future Market For Pay-Per-View Television Revenues
- ⌚ Right Of First Refusal On Future Player Prospects
- ⌚ The CUSL would also benefit by:
 - ⌚ Creating greater fan interest and gate receipts
 - ⌚ Increasing Quality Of League Play
 - ⌚ Advancing Canadian Player Development
 - ⌚ Merchandising Revenue

- ⌚ Future Television revenues
- ⌚ Corporate Canada Interest
- ⌚ More Opportunities For Canadian Players to be recognized and signed by top European clubs, which in turn, generates lucrative transfer-fee revenue for the CUSL

To understand the potential of future transfer fee revenue for the CUSL, imagine what the Australian FA or league would fetch for Kewel, Viduka or Bosnich today if they had them under contract. Based on their recent transfers, that figure would exceed \$50 million.

10 – Can You Describe The Structure Of The Canadian United Soccer League?

The structure should be:

- ⌚ Single Entity Model
- ⌚ 8 teams starting 2002 (including existing A-League teams)
- ⌚ Approximately \$2 million budget per team
- ⌚ Canadian Commissioner and front office
- ⌚ Strategic alliance and full interlocking schedule with the A-League

11 – How Will The A-League Strategic Alliance Work?

Clearly people have passionate and different opinions of how we should proceed with professional soccer in Canada. There are those who feel we should have a domestic league of our own and those who feel a Canadian division within the A-League makes more sense. I have said it before and I'll say it again however, that a poorly funded, marketed, managed and supported club would eventually go out of business regardless of which league it played in. Therefore, we have stayed away from the debate and focused our energies on the financial model instead. We did this because we knew that once the financial questions were answered the right decision would become obvious to everyone... and it has.

We felt strongly about this because where people were talking about debate, we kept seeing and hearing consensus. In other words, all parties agreed that:

- ⌚ That status quo was not acceptable
- ⌚ That we needed more Canadian teams for the Impact, Lynx and Whitecaps to play against
- ⌚ That there should be strategic initiatives with the provincial associations to leverage and connect the grass roots players and their programs to the professional game
- ⌚ That we needed additional revenue streams for soccer in Canada other than gate receipts and player registrations. In particular from Corporate Canada.

Those for a Canadian Division of the A-League refer to the stability of the league as a major feature. In other words, if for example other teams within Canada should fold, the Whitecaps will still have a full schedule of games they would play. They are not out of business. How can you argue with that given the history soccer leagues have had in Canada? Other benefits are lower travel costs because they don't have to keep criss-crossing Canada every other week. Again, it's a very valid point. Perhaps a point that is not often mentioned is the quality of play. Unfortunately, today there are not enough Canadian players who could fill an entire domestic league and still compete with an average A-League team. It will take time.

Those for a Canadian domestic league refer to the fact that the A-League is an American league, run by Americans, and for Americans. They also refer to the fact that it is clearly a second division league to the MLS. Many fans have voiced passionate opinions to the working group, that the future of the game in our country can't be based on a second division American league. As you can see both sides make strong arguments. I can add to the argument that research has shown us that the associations, Corporate Canada and Heritage Canada are much more receptive to supporting a league with a Canadian face, a Canadian agenda and a Canadian vision.

There a third option, however, is a hybrid solution. One that would see an independent single-entity Canadian United Soccer League, with a Canadian commissioner and a Canadian agenda and a Canadian Cup competition, with a strategic alliance and long term agreement with the A-League.

This agreement would see the three Canadian franchises roll their assets into the CUSL in exchange for shares of the whole league, but still operate their clubs as they have in the past, except with more funding and support. They would still enjoy the benefits of a full interlocking schedule with the A-League, but be part of a Canadian solution that would include five other Canadian cities. In fact, I would expect that the league front office and operations staff would be comprised of talent primarily from the three existing teams.

12 – How Do You Think Mr. Marcos from the A-league Will React To The Plan?

His office has sent us a proposal for how the CUSL single-entity framework could work within the A-League, which we find to be reasonable, and in principal, we have inserted it into the plan. So we believe his reaction will be quite positive. Also, we've spent a great deal of time discussing strategies with the three clubs and their representatives. I think they too, agree with our plan in principal and will vote in favour of implementing it. It's very exciting to see and hear people within the soccer community in Canada finally reading from the same page, which only months ago could not be imagined.

13 – Who Will Own The CUSL?

It's our hope that the associations will be the major stakeholders. Why? Because we want to see the profits from the CUSL go right back into youth soccer. For Example:

- ⌚ We would like to see funds allocated to the semi-pro and amateur leagues like the CPSL and PCSL. Either directly or through a transfer fee system.
- ⌚ We would like to see a facility development fund in cooperation with all three levels of government to help support the construction of new soccer stadiums and year round soccer academies.
- ⌚ We would like to see a commitment to establish a mirror image Women's CUSL.

Of course we would likely have other stakeholders, including the three ownership groups from the Impact, Lynx, and Whitecaps and perhaps private and other corporate investors. We would imagine that one of the large Canadian media companies such as Rogers Communications or the BCE Group, who are looking to acquire sporting assets for content, would also be interested in being part of this venture, however it is too early to tell at this stage.

14 – Are You Glad The Working Group's Project Is Almost Over?

After traveling across Canada, the United States, Mexico, South America, the United Kingdom and Continental Europe, to speak with anyone who said they could help us; after reading 100's of books, white papers, articles, web sites and magazines about the business of sport and in particular soccer it hardly seems fair, that it all comes down to one day.

After 9 months, 3200 hours, 156 meetings and 70 pizza dinners later, it comes down to one report, one multimedia presentation, one meeting. It is scary for me to even think about the prospects of the plan being voted down. Who else would step up to the plate? Which other group would be willing to dedicate the time, effort and money to fund airline tickets, hotels, equipment rentals, white paper subscriptions, technical writers and graphic artists? The members of the working group have been fantastic, donating everything for free. What would the next step be? I'm at a loss to predict where we would go from a non-

confidence vote, so let's stay positive and assume the vote will be a resounding "yes" to the plan.

15 – And If It Is Approved What Then?

Several things would have to happen in a very short period of time if we want to meet the 2002 launch date, such as:

- ⌚ Establish a formal legal entity and a shareholders agreement.
- ⌚ Begin working with the associations to establish the Soccer Canada Club database
- ⌚ Begin to lobby investors, partners and the government for seed capital
- ⌚ Begin negotiating partnership agreements with Corporate Canada, European clubs, the A-League, provincial leagues, and sports marketing companies
- ⌚ Hire front office, operations, marketing and field staff

...and perhaps a 1000 other things I can't think of at the moment!