

DRIVE South Bay

Business Plan

**1048 Hermosa Ave
Hermosa Beach, CA 90254**

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DRIVE South Bay
909-215-9164 Chris Frantz
559-313-0380 Jason Okajima
www.drivesouthbay.com
info@drivesouthbay.com

Business Description

1. Company mission statement

DRIVE South Bay (subsidiary of “Formula Racing Partners”) is a professional grade Formula One style racing simulator center, the first of its kind in the South Bay area, aiming to increase accessibility to the professional world of motorsports.

2. Company philosophy and vision

The core values of DRIVE South Bay: innovation, community, fun. In addition to providing a fun, safe environment to use professional grade simulators, the location will also demonstrate a local community vibe by showing every Formula 1 race on the main TV in the main area, no fees required.

3. Company goals

Short term company goals entail raising community awareness of the center to gain traction, and hosting corporate events where a company could rent the entire center for a preset number of hours.

4. Operational details and Hours

A. Proposed hours of operation: Mon/Tues: Closed. Wed-Fri: 4pm-9pm. Sat-Sun: 11am-9pm.

*Race weekends, we may choose to open for Formula One race viewing

B. Primary business focus: The primary source of income for the space will be the racing simulators. For the comfort of our guests either watching their friends race in the simulators or watching the races on the TV screens, we are proposing to have a L-shaped bar where we will serve canned gourmet coffee, sparkling waters, various non-alcoholic beverages, beer and seltzers. These will all be in cans, there will be no distilled spirits, liquor or wine on premises.

C. Food service: per the ABC Type 40 license we are pursuing (beer-seltzer ONLY), we will have bar-type snacks available for purchase in the bar area. Additionally, we have already discussed partnering with local nearby restaurant owners, to provide easy delivery / to-go food options for our guests.

D. We aim to have a small merchandise section where guests can purchase hats, shirts, books, vintage racewear, and other racecar memorabilia.

E. There is no proposed live entertainment for the space, the entertainment is the simulators.

5. Industry

The current Formula One racing industry has been gaining popularity at a staggering rate since the debut of the hit Netflix show “Drive to Survive.” The sport has taken such a drastic turn, that in the last 10 years, Formula One has added Grand Prix racing circuits to Austin Texas, Miami Florida, and Las Vegas Nevada. These championship races in addition to the races in Mexico City Mexico and Montreal Canada, account for 5 of 23 annual races. What was once a heavily non-American sport has shifted towards being a North American favorite. The sport itself has tall financial barriers to entry; creating a professional, fun, local racing simulator center could be the beginning of broader exposure and eventually reduce the financial barriers over time.

6. Management Team

The current ownership team will be Chris Frantz and Jason Okajima. We are both industry enthusiasts and currently in the business of engineering sales where professionalism, technical skills and customer service are where we thrive. We will be hiring local employees who are not only familiar with the sport, but also passionate about it while providing excellent customer service.