

EXECUTIVE SUMMARY

CONCEPT:

Healthy Body Ball™ is the first massage therapy ball based on the revolutionary trigger point therapy massage system to enter the international multi-billion dollar therapeutic massage industry. With an U.S. Provisional Patent in place since June 1998 and a Registered Patent pending within the next 12 months, this product is poised to capture a significant segment of the growing home- and self-massage market as well as the already established market of professional massage therapists. After a dozen prototypes were developed and tested since 1997, final designs are now ready for production.

The product can range in size from a golf ball to a soccer ball made of silicon rubber. Its uniqueness comes from the 10 to 14 nodes, approximately 1/2" in length, projecting axially from and evenly spaced over the ball's outer surface. The nodes are designed and engineered to mimic the pressure and consistency of a massage therapist's thumbs in the application of trigger point massage therapy. The product is especially effective for common back pain and tension and it can be used on any area appropriate for trigger point massage therapy. The massage ball is applied to specific body areas by hand or arm pressure, body weight or body rolling. It is both a self-massage tool and a product which can be applied by a licensed massage therapist.

A User's Guide indicating important trigger points for therapy and instructions on the product's use also will be included with the product.

TARGET MARKETS:

Healthy Body Ball™ is immediately marketable to the industry's 43,000 massage therapists in 30 countries, as registered with the American Massage Therapist Association (AMTA), in addition to approximately another 147,000 massage therapists reachable through a variety of media and direct contact venues. Consumer markets include sports/fitness, wellness and spa products consumers, current massage therapy consumers, people suffering from chronic or acute back or other muscle pain, frequent travelers, senior citizens and consumers who desire or need massage therapy but cannot afford it or make time for it.

According to the AMTA's 2000 Massage Therapy Consumer Survey (July 2000), 21% of Americans expect to get a massage in the next 12 months. Approximately 20 percent continue to say that the primary reason they do not get a regular massage is that they are too busy - making a home- and self-massage product optimal. Finally, nearly one out of four adults with annual family incomes of \$50,000+ had a massage from a massage therapist in the past 12 months.

INVENTOR:

Healthy Body Ball™ was developed and invented by Cheryl E. Zemont-Payne, chief executive officer of Healthy Body Products, Inc. based in Tucson, Arizona. Zemont holds the designation of Nationally Certified in Therapeutic Massage & Bodywork by the American Massage Therapy Association and is a licensed State of Arizona massage therapist. She has over 10,000 hours in

professional massage therapy and specializes in trigger point therapy. Prior to becoming self-employed, she worked as a professional massage therapist at one of Tucson's best known spas.

Zemont-Payne's business background also includes 10 years as Operations Manager for a large construction company, a \$2-million-a-year commercial and residential construction company based in California. She was responsible for the administration and accounting functions for over ninety employees and forty commercial vehicles. Her duties included contract proposals, planning, sub-contractor coordination, and all phases of contract and employee accounting - skills applicable to the growth and operation of Healthy Body Products, Inc.

Healthy Body Ball™ is intended to be the first of numerous trigger point therapy products designed and/or marketed by Healthy Body Products, Inc.

MISSION STATEMENT

1. To design, manufacture and distribute the first trigger point therapy massage ball, **Healthy Body Ball™**, and variations of this product for sale to professional massage therapists and the general consumer. These products are of high quality while remaining at competitive price points.
2. To provide pain relief and wellness to as many people as possible through trigger point therapy in a convenient, affordable and readily available form, **Healthy Body Ball™**.
3. To promote trigger point therapy as an effective, fast, easy and affordable method of pain relief and wellness.
4. To create and develop business and professional alliances for the purpose of assisting Healthy Body Products, Inc. to expand and prosper as a wellness-promoting company.

INDUSTRY OVERVIEW

DEMAND FOR MASSAGE THERAPY

The demand for therapeutic massage therapy stands out as an international phenomenon, particularly in North America, Western Europe and developed countries throughout the world. It is a trend expected to continue well into the 21st century. The popularity of massage therapy coincides with the increased use of alternative healthcare for healing illness and disease and to promote wellness.

In the United States alone, consumers spend between \$4 - \$6 billion annually on visits to massage therapists - approximately 27% of the \$21.2 billion spent on unconventional healthcare in 1997 according to Journal of the American Medical Association, November 11, 1998.

Even before its current popularity, a seven-year-old study in The New England Journal of Medicine (January 28, 1993) documents that 34% of adults report using alternative medicine.

The American Massage Therapy Association's (AMTA), 2000 Massage Therapy Survey of 1,006 U.S. adults (July 2000), reports encouraging trends in massage therapy consumption. One out of four adult Americans say they had a massage in the past five years with twice as many reporting receiving one or more massages from a massage therapist in the past year (16%) as did in 1997 (8%). Importantly, 21% expect to get a massage from a massage therapist in the next 12 months.

Massage is popular among all income groups and ages with families earning annual incomes of \$50,000+ and ages 35-44 reporting the highest percentage of massage therapy use.

Of critical importance to **Healthy Body Ball™** approximately 20% of Americans continue to say that the primary reason they do not get a regular massage is that they are too busy. This figure has remained relatively stable every year since 1997. People understand the benefits of massage therapy but say they are too busy to take the time to get a regular massage.

Due to this trend, the market for home- and self-massage products continues to experience tremendous growth, particularly with the expansion of e-business on the Internet. Despite this growth, the patent pending **Healthy Body Ball™** remains the first trigger point therapy massage ball to enter the market.

DEMAND FOR TRIGGER POINT THERAPY

As the trend in alternative healthcare and massage therapy swings upward, trigger point therapy also experiences a related growing popularity. These trends are projected to not only continue but experience increased growth as well.

While three physicians, Dr. Hans Kraus, Dr. Janet Travell and Dr. Desmond Tivy are credited with laying the foundation for trigger point therapy during the last half of the 20th century, it was fitness and bodywork expert Bonnie Prudden who popularized this form of massage under the name "myotherapy."

Long regarded as America's #1 fitness expert, Prudden authored two books critical to the popularization and understanding of trigger point therapy. In 1980 she wrote, *Pain Erasure The Bonnie Prudden Way* and in 1984, *Myotherapy Bonnie Prudden's Complete Guide to Pain-Free Living* which became a national bestseller.

In the mid-1970s, Prudden put all the pieces together and found that muscle pain can be relieved if pressure is applied - using fingers, knuckles, an elbow - or a tool such as **Healthy Body Ball™**, to the proper trigger point in a muscle. Since 1992, Prudden has made Tucson, Arizona her residence.

TRIGGER POINT THERAPY EXPLAINED

Trigger point therapy has helped artists and athletes alike such as Leonard Bernstein and Mark McGwire. It is a therapeutic massage method of relaxing muscle spasm, improving circulation and alleviating pain. Trigger points or taut, palpable bands in affected muscles, are relieved by interrupting the pain-spasm-pain cycle by applying pressure to the receptors in the nervous system long enough to "short out" the trigger point by depriving it of oxygen.

Trigger point therapy can be extremely therapeutic over time. It is very effective and immediate in relieving pain, whether the pain is chronic muscle tightness or acute muscle spasms. Any one of approximately 65 trigger points can lay dormant until a change in the emotional or physical climate sets it off. The firing trigger point sends the muscle into spasm, a sudden, involuntary contraction that causes pain. The nervous system sends a signal to the brain that there is pain in the muscle. The brain responds by splinting or shortening the muscle to protect it. Since the muscle is already in a contracted position, the spasm persists, the pain increases, and the nervous system again signals the brain that there is pain, perpetuating the cycle.

If the muscle remains contracted long enough, it will become permanently shortened, affecting the reliability of the muscle, balance, posture, and sense of well being. It causes muscle tension, reduced circulation, more trigger points, shortened muscles, and restricted range of motion and movement.

Trigger point therapy differs from other types of massage therapy in significant ways. While practices that use pressure points include trigger point therapy, Shiatsu and other Eastern modalities based on meridians, Jin Shin and Polarity (energy balancing), Reflexology, and sports massage (direct pressure and cross fiber), only trigger point therapy can effectively break the pain-spasm-pain cycle. The difference lies in the fact that trigger point therapy is the only pressure point massage that applies pressure to both the "boss" or controlling trigger point as well as "radiating" or resultant trigger points.

"Satellite" trigger points may be located at quite a distance from the actual cause of the spasm. For example, a "boss" trigger point for the shoulder and back spasms can frequently be located in the armpit region. The pain associated with the shoulder results from the "boss" trigger point, not the localized or "satellite" trigger point in the shoulder, which most pressure point therapies would address. If therapy is applied only to the "satellite" point, the pain may be temporarily alleviated but will not cure the root cause or "boss" trigger point located in another area. This oversight eventually leads to the return of the pain and the cycle continues.

The User's Guide or chart indicating key trigger points for various ailments and body areas also will be included with the **Healthy Body Ball™**.

MARKET ANALYSIS

The demand for **Healthy Body Ball™** is generated by three market forces.

First, 20% of Americans say the main reason they do not get regular massager is that they are too busy (2000 Massage Therapy Consumer Survey, American Massage Therapy Association). Further, this percentage remains relatively stable since 1997. With massage sessions lasting on average from 60 to 90 minutes, not including commuting, regular massages will continue to be difficult to maintain for most active people, despite the continuing demand for massage treatment. This trend directly increases the market for home- and self-massage products.

Second, the growth in the popularity of trigger point therapy directly affects the demand for trigger point therapy massage products. The home- and self-massage segment of the industry is still in its infancy. The timely introduction of **Healthy Body Ball™** addresses the market demands head on and caters to an already existing consumer base. This is a great advantage in product marketing because proportionately more resources can be dedicated to the distribution and sale of the product

rather than in developing a consumer base.

Finally, a home, self-massage with **Healthy Body Ball™** saves the consumer the repeated cost of massages and enables family members and others to enjoy the benefits of trigger point therapy in an economical and convenient manner.

Healthy Body Ball™ fills a niche in the fast-growing market of home- and self-massage products market by providing a deeper level of healing than the products now available. Most of the therapy tools in the marketplace do little more than light duty, superficial treatments. The therapeutic fundamentals of trigger point therapy, however, make it possible for considerable healing and wellness to occur through use of a properly designed and manufactured trigger point therapy massage ball such as **Healthy Body Ball™**.

Currently, the market includes high-end electric devices such as back, neck, body and foot massagers (from \$35.00 to \$400.00, with most in the \$100.00 - \$300.00 range) and non-electric massage tools (from \$3.00 to \$100.00, with most in the \$20.00 to \$50.00 range).

ELECTRIC MASSAGERS

The high-end electric massagers market includes popular products such as the following:

- 1) Morfam Master Massager, \$216.00, applied by massage therapist with two hands to back and larger sections of the body; variable speed;
- 2) Thumper Professional body Massager, \$339.00, applied by massage therapist with two hands, percussion massage;
- 3) Panasonic Easy Reach Massagers, \$49.95, self-applied with one or two hands; product has bendable neck for reaching around back;
- 4) Homedics Shogun Shiatsu Neck massager, \$59.95, mechanical kneading thumbs simulate hands of massage therapist, two-way direction switch;
- 5) Interactive Health Human Touch Technology Neck and Back Massager, \$159.95, self-applied robotic massager which fits around neck and back.

Most electric massagers provide little more than a superficial rubdown for top surface relief of muscle tension only. Seldom are there long-lasting benefits from appliances of this type. These products are heavy, cumbersome to use and may require electrical or mechanical repairs over time. The most noticeable drawback of electric massagers, however, remains the noise and volume of their mechanical engines producing the kneading, grinding or rolling massage motion.

NON-ELECTRIC MASSAGERS

The lower-end, non-electric market has a variety of tools which fall into three main categories: a) curved cane-like products with knobs on the ends; b) wooden roller products placed under the back; c) soft spiky massage balls; d) and acupressure or pressure point boards or other stationary devices for placement under the back, neck, feet or other body areas.

Some of the more popular non-electric self-massage products include the following:

- 1) Backnobber, variations from \$28.95 to \$32.95, made of wood or hard plastic; bent into an S-shape with knobs on either end for reaching the back;
- 2) Wood Rollers by Roloflex, \$39.95, a series of 8" wooden rollers with ridges for positioning under the back while lying down;
- 3) Body Ball's 6" rubber ball with 1/3" nubbins; \$18.95, with over 100, closely packed and very soft nubbins;
- 4) Diskin platform massage tool, \$18.00, a round, flat wooden disk with two protruding wooden balls; for deep tissue and pressure point self-treatment.

Most non-electric massage tools either can be utilized in only one of two ways. They are either applied with hand and/or arm pressure or they sit stationary on the ground and the back must be lifted and moved over the product from very awkward and frequently uncomfortable angles in order to reach a new body area.

As with electric massagers, these non-electric tools provide little more than a cosmetic therapy rather than any long-lasting relief or sustained wellness.

TRIGGER POINT THERAPY MASSAGE TOOLS

In developing a comprehensive trigger point therapy system called, "myotherapy," fitness expert Bonnie Prudden also markets several tools, all non-electric, for this system. The Shepherd's Crook (\$19.95) is a large "C"-shaped piece of light weight metal with knobs on the end for reaching around to back and neck areas during self-massage. The Bodos (\$6.75 each, \$18.95 for set of small, medium and large) are wooden tools designed with flat areas that fit into the palm or hand with rounded finger-like appendages protruding from it. It is pressed into trigger points as a self-massage tool or by a massage therapist.

As effective as these Prudden products are **Healthy Body Ball™** offers additional benefits and compliments these products due to its unique design features.

PRODUCTION INFORMATION

Healthy Body Ball™ adds a new dimension to existing trigger point therapy massage products for two reasons.

First, the multiple nubbins and rolling effect of the ball under the back allow for the efficient search of affected trigger points. Instead of pressing one trigger point at a time and then having to search out another one, the back is simply rolled over the ball so that dozens of trigger points can be pressed in a matter of seconds in the detection work necessary to locate the suspect trigger points. The floor, a wall or a chair can be used for this application. In fact, **Healthy Body Ball™** can even be used while driving to soothe travel-weary muscles.

Second, the rolling motion allows **Healthy Body Ball™** to be positioned perfectly under the selected trigger point and the use of body weight supplies all the needed pressure instead of fatiguing the hand, arm and shoulder muscles. This is particularly important for the back and neck areas where muscle tension can often lead to trigger points that require increased and constant pressure in order to release. This is also important to people with weaker arm or hand strength or arthritis.

For years, chiropractors have been recommending patients use tennis and golf balls to roll under their backs for the very same results produced by **Healthy Body Ball™**.

A User's Guide indicating important trigger points for therapy and instructions on the product's use also will be included with the product.

The design features of **Healthy Body Ball™** allow for the custom manufacturing of the product if needed by specialty stores or as a corporate special promotion novelty. Product materials, colors and sizes can be altered to develop variations on the standard product for direct sale or wholesale, and through licensing agreements, for corporate amenities or specialty retailer exclusive rights.

MARKETING STRATEGY

While many new consumer products must expend considerable marketing dollars to create or develop a need for a product, **Healthy Body Ball™** caters to an already existing consumer base. One out of five Americans already experienced a professional massage (see INDUSTRY OVERVIEW) in the past 12 months. Additionally, among the general population, massage therapy has become an accepted form of healthcare for the mainstream. The entire massage therapy industry from massage therapy centers to massage schools and companies providing home and professional massage supplies is booming.

MARKETING HIGHLIGHTS

Healthy Body Ball™ meets all the product marketing criteria to successfully enter the market and capture a significant share of the massage industry's multi-billion dollar output.

1. Timely - As the first massage therapy ball to enter the market based on trigger point therapy, **Healthy Body Ball™** fills a large niche in the massage products market. Clearly, there is unprecedented demand for massage therapy and a growing following of trigger point therapy in particular. And while it is documented that "not enough time" is the number one reason for consumers not getting regular massages, no trigger point therapy massage ball exists. (Other trigger point therapy massage tools exist and non-trigger point therapy massage balls are on the market but neither combines the benefits of **Healthy Body Ball™**.)
2. Economical - At an expected \$19.95 unit price point, **Healthy Body Ball™** will enter the market on the low-end, least-resistance-to-buy spectrum. As a possibly first time, entry level purchase by a consumer, **Healthy Body Ball™** will have the best opportunity to reach the largest number of consumers because there will be no significant price barriers.
3. Convenient - The small, compact size of **Healthy Body Ball™** lends itself to portability and travel, which nearly all electric massagers and some leading non-electric massagers cannot provide. This size advantage also increases the market by attracting consumers who need or desire this versatility.
4. Easy To Use - **Healthy Body Ball™** uses primarily body weight and body rolling to produce the pressure required for effective self-massage. Hand and arm strength, arthritis or flexibility is not issues in the use of this product, unlike most other non-electric massage tools. It also requires no maintenance.

5. Durable - **Healthy Body Ball™** design features are engineered for durability over time and usage. The hard silicone rubber ball and nubbins are engineered to withstand and apply significant pressure while still absorbing body weight for the most comfortable yet effective trigger point therapy massages.

DIRECT SALES MARKET DEMOGRAPHICS

Healthy Body Ball™ not only appeals to an already existing market (versus a market that must be developed) this product also appeals to an attractive demographic profile of consumers from a sales perspective. They represent a large portion of the consumer market and are located across the United States. Consumers of massage therapy are the end-users of this product and represent the key target market for direct sales. Wholesale distribution to professional massage therapists and retailers represent a secondary market but their customers are the same end-users as in the direct sales market.

Key demographics of this target market are:

1. Massage is equally popular among men and women in all regions of the United States and across most income levels. ("Public Attitudes Towards Massage Study," Caravan Opinion Research Corporation International, August 1999).

2. 23% of adults with family incomes of \$50,000+ had a massage from a massage therapist in the past 12 months. Incomes of \$35,000 - \$50,000 and under \$15,000 (15%), \$25,000 - \$35,000 (14%) and \$15,000 - \$25,000 (10%). (2000 Massage Therapy Consumer Survey, American Massage Therapist Association, July 2000).

3. Massage is most popular among college graduates (35%) and is popular among people with some college education (31%) and people with only a high school education (16%). ("Public Attitudes Towards Massage Study," Caravan Opinion Research Corporation International, August 1999).

4. People earning more than \$50,000 annually are having massages most often (34%). ("Public Attitudes Towards Massage Study," Caravan Opinion Research Corporation International, August 1999).

5. Alternative healthcare users tend to be white, well-educated, higher income baby boomers living in the West. (Life Magazine, September 1996).

6. In the growing and critical Hispanic consumer market, 27% report getting a massage in the past five years, 2% higher than the general population. In the past 12 months, 15% of Hispanic adults report getting a massage. (2000 Massage Therapy Consumer Survey, American Massage Therapist Association, July 2000).

7. Work-site massage therapy also is spreading the popularity of massage to consumers with a high need for massage as well as disposable incomes. Over 80 companies, including many Fortune 500 companies are using massage therapy to counter such ills as musculoskeletal problems, stress and poor ergonomic design of furniture. ("Alternative Medicine Moves Into the Workplace," Alternative

RETAIL TARGET MARKETS

Due to the cross-section market qualities of **Healthy Body Ball™** wholesale and retail outlets for its distribution include tens of thousands of outlets specializing in various aspects of health, sports and fitness.

1. Health and Fitness Clubs - Prolific in the past decade, this product is a perfect marketing match for this clientele.
2. Day and Destination Spas - The highest income level of the wellness market this clientele already is well versed with the benefits of massage therapy. There are over 5,000 day and destination spas registered in the United States alone, according to the International Spa Association.
3. Drug and Home Medical Supplies Stores - Retail drugstores such as Walgreens and Osco carry an increasing number of home medical supply products, which include massage therapy tools.
4. Bath and Body Supplies Stores - Specialty shops such as Bath & Body Works and The Body Shoppe may be interested in a custom-designed production line of products to fit their inventory needs. Through licensing rights to the patent, custom-designed **Healthy Body Ball™** can be developed using variations on product materials, shape sizes and colors.
5. Sports Stores - Whether mega-shops like Sports Authority and national chains like Pro Golf Discount or smaller club tennis and golf shops, products like **Healthy Body Ball™** are welcomed inventory additions because they require little display space and yet have a demonstrated high demand.
6. Alternative Medicine Practitioners - Doctors of chiropractic and naturopathic medicines, physical therapists and other alternative healthcare practitioners make ideal distributors of this product due to their commitment to promoting wellness and the cash-paying nature of their clientele. This product would serve as a substitute for their current recommendations for patients to use tennis or golf balls under their backs for self-massage techniques.
7. Internet Massage Therapy Web Sites - Increasingly, on-line massage therapy products catalogs are a source of product purchase for massage therapy users.
8. Department Stores - Increasingly, both regional and national department stores from Sears and JC Penny to Dillard's and Lord & Taylor carry home massage products.
9. "Big Box" Stores - Like their sophisticated department store relatives, "Big Box" stores such as Target and Kmart also now carry home massage products at competitive price points.
10. Corporate Amenities - Either through packaging or manufacturing, a custom-designed corporate amenity **Healthy Body Ball™** can be developed for bulk purchasing. Corporate logos can be included on some or all of the materials and packaging for the product.
11. Massage Therapists and Centers - The American Massage Therapy Association estimates there are currently between 160,000 and 220,000 massage therapists worldwide.

MARKETING STRATEGY AND MATERIALS

The initial marketing strategy for **Healthy Body Ball™** will be based primarily on telemarketing and direct mail marketing to targeted consumers and companies for either direct sales or wholesale programs. Support of the direct mail program includes print media advertising in selected closed market publications, such as the American Massage Therapy Association's monthly magazine, fitness and health magazine subscriber lists and targeted regional mass media where an initial product launch occurs. In-store product demonstrations and earned media news stories round out a

product launch package for a specific market.

This approach is cost-effective and will allow small key secondary and tertiary markets to test the product in anticipation of a major national and then international launch in phases two and three.

In summary, an initial product launch marketing mix includes: in-store demonstrations, local print advertising, local earned media coverage - both electronic and print, direct mail invitations to product demonstrations, pre-launch samples to market, local radio advertising.

Marketing materials for **Healthy Body Ball™** include collateral materials that are included in the product packaging, such as the User's Guide and instructions for product use.

Initial marketing materials and supplies required for the promotion of **Healthy Body Ball™** include:

- Product packaging;
- Logo for materials, advertising, brochures, letterhead, etc.;
- Business paper products: purchase orders, business letterhead and envelopes, mailing labels, business cards, receipts, etc.;
- Retail point-of-purchase display, tent tops; etc.;
- Photos or sketches of the product for media reproductions;
- Sales brochure or flyers;
- Product testimonials;
- Sales presentation folders;
- Web site for product information and ordering;
- Print advertising templates;
- Product news release templates;
- In-store product demonstration kit;
- 30-second product initial launch promotion spot.

TELEVISION DIRECT SALES

In addition to or in place of the traditional distribution networks discussed above, **Healthy Body Ball™** possesses a number of qualities which make it attractive for direct sales through television, either in infomercial format or through one of the several national home shopping programs.

This distribution mechanism should be seriously considered, as it would allow for the fastest and most direct access to consumers in order to fulfill Trigger Point Therapies' mission statement.

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