



Gramarye Media STO Executive Summary

Welcome to the Story Incubator

<https://www.gramaryemedia.com/>

Gramarye Media is a book publisher, a film studio, a game developer, and more. We're the world's first content incubator.

Gramarye Media is the cross-media entertainment studio of the future – discovering, incubating, vetting, producing, and distributing original content, including books, films, games, AR and VR, merchandise, and more. We're disrupting the Hollywood studio model.

With budgets soaring, original content is risky because it lacks brand awareness. Meanwhile, analysts and executives agree: the cycle of sequels and remakes is presenting increasing danger to industry profitability. In addition, there is tremendous waste built into the Hollywood studio system. Executives and analysts agree: Hollywood studios spend at least twice what they should making films.

Gramarye has recognized that these issues provide an opportunity for disruption. Our process is based on three core concepts:

1. Reduce Risk – Discover and develop original content with a built-in, proven audience.
2. Produce Content at a Significantly Lower Cost for cross-media channels to open new opportunities for revenue generation
3. Own access to Global Distribution Channels

All three pillars will generate revenue.

Reduce Risk: Multimedia and Feedback Economies to Develop and Measure Audience Communities

We begin by selecting unpublished book manuscripts that seem to have the "DNA" to become cross-media franchises. A team of "A List" industry veterans uses our selection "check list" to select diversified portfolios of stories for incubation. In short, we will shift Hollywood's "hunter/gather" model of looking for original content to an agricultural model, "growing" potential franchises.

Selected titles go through a year-long incubation process, inspired by our own experiences at Georgia Tech's Flashpoint business accelerator and Pixar's story development process. The incubation process is also led by our team of experienced industry veterans.

Then, Gramarye publishes the content as hardcover or trade paperback books ... and as enhanced "eBook 2.0" immersive reading experiences using proprietary technology and a proprietary social media platform. The eBooks are layered with interactivity, creating truly immersive "wow" reading experiences. The interactivity allows Gramarye to empower and incent users to share and network. We can track and measure the viral spread of brand awareness as the communities grow.

The interactivity allows Gramarye to mine data to identify key inflection points and more, and to track the information by age, sex, and location. This allows Gramarye to better understand fan passion and adapt in a satisfying way, to better create and target merchandise, and to know exactly how to market. More importantly, since our tests are primary and based on direct observation and measurement, we uncover data that is more likely to be reliably predictive of box office success. We are tracking viral spread of brand awareness and actual audience congregation around a specific intellectual property, not a comp.

We use this process instead of the traditional Hollywood development process, which leads to millions of dollars wasted on films that aren't actually produced. More, our incubation process actually generates revenue. Instead of starting with a \$20 million to \$50 million "hole" that must be amortized in the films that are actually produced, we start at breakeven, plus a 20 to 30 percent return.

Produce and Market at Lower Costs

We can eliminate much of the overhead built into the traditional studio system. We also take advantage of a lower cost of business in Georgia and some of the nation's most generous tax and opportunity zone incentives. In addition, we will build an advanced virtual production facility, allowing us to significantly reduce the costs of tentpole/event films. Most significantly, this technology lets us create assets that can be used across various media channels, including film, television, animation, games, AR/VR, location-based, and even merchandise. Each represents a new revenue stream for the same basic below-the-line cost.



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Access to Global Distribution Channels

Along with branded content, distribution is, quite literally, the rarest commodity in entertainment. Gramarye will use proceeds from the STO to make key investments in an ecosystem giving us full access to theaters, television, streaming, brick and mortar and online book retailers, and more. Thousands of films are financed and completed every year that are never seen, because they can't find distribution deals. Gramarye Media will never have this problem.

Business Model Overview: <https://www.gramaryemedia.com/business-model/>

Blockchain Technology

Gramarye makes disruptive use of blockchain technology in two ways.

Security Token. Gramarye's SEC-Compliant STO raise makes us the first major studio funded by a Preferred Stock/Blockchain-based Security Token offer. It's not just a Gramarye raise – we're investing in a complete ecosystem to expand our capabilities and return dividends to token holders. Investors receive opportunities for growth as well as dividends from all companies in the ecosystem.

Utility Token. Gramarye uses blockchain utility tokens (which cannot be purchased) to provide meaningful rewards and incentives to fan evangelists who spark the viral spread of brand awareness, and to stream content directly to consumers hungry for the core, generational stories that unite us all. Security Token Overview: <https://www.gramaryemedia.com/initial-coin-offering/>

News Coverage: <https://www.gramaryemedia.com/news-coverage/>

Gramarye Media Team Members

John Adcox, CEO, has over 20 years of experience in advertising, marketing, integrated media strategy among others. He has previously worked with AT&T, Mercedes-Benz, IBM, Pfizer and Microsoft among others. john@gramaryemedia.com
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Alice P. Neuhauser, President, has extensive experience in financial management for the entertainment industry. She was involved in the production of Terminator 2, The Bank Job, Total Recall, The Forbidden Kingdom, and Brothers, among others. She was the original developer of Manhattan Beach Studios. alice@gramaryemedia.com
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Marcus Rodriguez, COO, is a Wall Street veteran with more than 24 years of experience working with Hedge Funds, Broker-Dealers, and Investment Advisors. Marcus acted in the capacity of President, CCO, COO, FINOP for numerous firms over his career, including Chicago Securities, Global-American Investments and Direct Access Brokerage. marcus@gramaryemedia.com
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Don Dudenhoefter, Chief Creative Officer, has more than 20+ years of experience in creative design and implementation. He led the first design team to win an Emmy award in interactive TV. He works with emerging technologies in interactive TV, mobile devices, video distribution etc. don@gramaryemedia.com
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Irtaza Barlas, PhD, Chief Innovation Officer, was the Principal Investigator on DARPA-funded research on Self-Aware Processing Systems. His PhD thesis focused on distributed AI systems for engineering applications. irtaza@gramaryemedia.com
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Arthur Stepanyan, Executive Director, Blockchain, is actively involved in the startup ecosystem as an advisor. He is currently engaged in promotion of blockchain and cryptocurrency technologies. arthur@gramaryemedia.com
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