

# THE THOMAS ENTERTAINMENT GROUP, LLC PLANET FITNESS & TANOPIA TANNING CENTER

The Thomas Entertainment Group, LLC was started in 1985 by Art Thomas. Art always wanted to own his own business, so when a friend of Art's told him to check out the video retail business, Art did. He decided to take a big chance and opened up his first A-Z Video store in Oakhurst, New Jersey. The store was an instant success.

Art and his brother Dwight, who joined the business in 1986, had great success in the video store industry and added tanning salons to several of their video stores. From 1985 to 1996 the A-Z Video chain grew to 18 company-owned stores, 23 licensed stores with video rentals in several supermarkets and the Pensupreme convenient stores. A-Z Video became the 20th largest video retail chain in the U.S. and was sold in 1996 to West Coast Entertainment Corp. ("WCEC"), a Nasdaq company. Art described the years his stores were run by Wall Street executives as very frustrating as they did not have the discipline to manage a business. In 2001, Art bought back 25 video stores from WCEC to save the stores and the employees as WCEC was filing for bankruptcy. Art quickly got the stores making money again. Art sold the stores to Movie Gallery, another Nasdaq company in 2002 as they made him an offer he couldn't refuse. Art and Dwight opened 4 more video stores from 2002-2005 and sold those stores to Movie Gallery in 2005 which included the Ephrata, PA West Coast Video store at the Ephrata Plaza. Art sensed that new technologies were starting to take their toll on the video rental industry so he was glad to have sold out when he did. Movie Gallery filed for bankruptcy protection in 2007 and closed thousands of stores nationally including the Ephrata Movie Gallery store. Art was left with a huge, vacant area next to his Tantopia Tanning Center.

Art started analyzing what new business he could put in this space. The answer was Planet Fitness. Art liked their low prices where anyone could join for \$0 and pay \$19.99 per month or pay only \$10 per month for a one-time \$29 enrollment fee. The fact that they also offered tanning to their members included in the \$19.99 monthly fee, was right up Art's alley. The "Judgment Free Zone" motto and philosophy, where everyone is made to feel welcome also pleased Art. The emphasis of the club is to provide an environment for any age, shape or weight to be able to come to a place and workout without feeling judged or intimidated.

Planet Fitness offers plenty of the latest cardio equipment with lots of treadmills, bicycles, elliptical machines and ARC trainers. You can watch TV on one of the many large LCD TVs located throughout the club while you are doing your workout, getting a massage in one of the massage chairs or relaxing in the locker rooms after a nice, warm shower. There are also plenty of free weights and workout stations so anyone who wants to get into great shape has all the necessary tools at a low affordable price. The club has a 30 minute express workout area which offers workout stations and steps so you can get a complete workout in 30 minutes. The club has a personal certified educator (the "PE" person) who is at the club to provide instruction on each piece of equipment as well as to work closely with each member on their goals. Steve Welsh, Ephrata Planet Fitness's "PE" has his complete fitness certification and a wealth of experience and knowledge in all aspects of the fitness industry. Joining Steve are two experienced fitness staff members. Nick Picca is the club Manager. Nick spent 10 years helping to open and manage Dolphin Fitness Clubs in New York City as well as working in sales with LA Fitness in Lancaster. Nick brings a wealth of knowledge and experience that is needed in running a successful operation, not to mention a ton of enthusiasm and energy. Joining Nick is the club's Assistant Manager, Jared Cypress, who also comes from LA Fitness and brings a wealth of knowledge regarding the day to day operations of a fitness club not to mention a strong background in facilities management and maintenance. The Planet Fitness team consists of Christine Bishop, Amber Hancock, Corrine Graybill, Megan High, Alison Morrongiello, Becky Parfitt, Catherine Reisig and Megan Rentschler.

The response to Planet Fitness has been tremendous so far.

Business Hours are from 5:00AM to 10:00PM Monday - Friday and 7:00AM to 7:00PM on Saturday and Sundays.

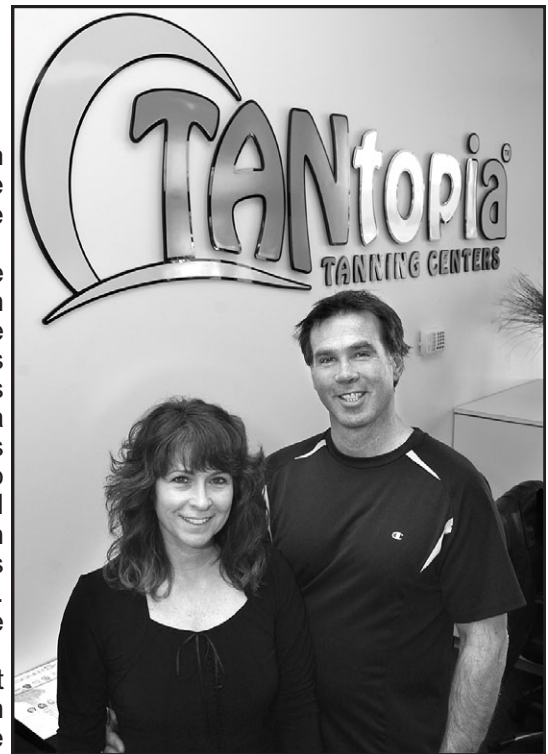
The Tantopia Tanning Center has 8 SunCapule stand-up booths that tan you in 8 minutes or less, a FutureSun High Pressure bed that is the best in the industry for those people who want the ultimate tan, 3 SunStorm beds with facials, which have been a crowd favorite for years due to their outstanding performance and results, two Ergoline 600 beds with facials and Art's personal favorite machine, the Mystic Tan Spray Booth, which sprays you with a natural, organic mist giving you a beautiful tan quickly that lasts for about one week. The booth talks to you and tells you what to do as it sprays each side of your body for 30 seconds. By standing in the 4 positions for 30 seconds each, you get a full tan with no tan lines in 2 minutes. By using the Mystic tan spray booth a few times a month with the various tanning equipment offered you look great all year round.

A complete line of tanning lotions, moisturizers, enhancers, bronzers, accelerators, goggles and stickers (so you can see the color difference before and after tanning) are available. Betsy Thomas, the salon manager and Art's wife, and her team consisting of Kirstin Worrall, who has been with Tantopia since it's opening, Nicole Jones, Carey Lehman and Chelsea Worrall have all been trained in the proper way to indoor tan. Tantopia takes their "never burn" philosophy very seriously. Indoor tanning provides a safe, controlled environment where individuals can gradually build up to a dark, natural tan which reduces one's chance of burning in the sun when they are outside. The salon offers free towel service, candy, and has a vanity area for members to freshen up after having a nice, relaxing tan experience. The salon is open 7 days a week from 9:00AM-10:00PM. No appointments are necessary and the salon strives to make sure everyone can tan quickly without any waiting time or lines.

Since Art owns both the Planet Fitness and the Tantopia Tanning Center, he has provided incentives for members who use both businesses by waiving the \$29.00 enrollment fee at one of the two clubs so a person does not have to pay two enrollments to be a member at each club. There is a discount off the monthly rates provided to Planet Fitness members who become Tantopia Tanning Center members. Tantopia offers a complete range of plans to fit almost anyone's budget and is looking forward to the additional traffic they are already receiving from all the Planet Fitness members who are coming over to tan.



Seated L-R: Christine Bishop, Betsy Thomas and Amber Hancock. Back L-R: Nick Picca (Manager), Art Thomas (President and CEO of Thomas Entertainment Group), Jared Cypress (Assistant Manager) and Dwight Thomas (Vice President of Operations for Thomas Entertainment Group)



L-R: Betsy Thomas (Manager) and Art Thomas (President and CEO of Thomas Entertainment Group).

The Thomas Entertainment Group, LLC also developed and owns a shopping center in Lancaster at Fruitville Pike. Art completed the Fruitville Crossings Center in 2006 that became the home for PNC Bank, Five Guys Burgers & Fries, FedEx Kinkos, Aspen Dental Group and Starbucks.

The company also owns a vending business servicing Big Lots Department stores throughout PA.

The company has signed a deal with Planet Fitness to open 10 more Planet Fitness clubs in Pennsylvania and Southern New Jersey as well as do more real estate deals along the way.