



So You Want to be a Haunt Entrepreneur

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Deedication

I would like to thank the following people who have been influential in my decision to follow my dreams and who have made a significant contribution to helping me keep my passion alive:

To my Mom, who through the years has always believed in me and encouraged me to be myself and accepted my uniqueness: Thank you Mom for supporting me in every “leap of faith” decision I have made and for always encouraging me with your words of confidence, support and love!

To my Dad, who sparked the love of the Halloween and haunt genre: Thank you Dad for giving me this passion to carry throughout my life and for memories of the joy and laughter we shared at Halloween!

To Becky, who holds a special place in my heart: Thank you Becky for sharing the passion for Halloween and haunting with me and for the many hours spent together on the patio dreaming of the haunt possibilities. Thanks for your ongoing support and your faith in my dreams!

To Lee, my soul mate and the person with whom I am looking forward to growing old: Thank you for the way you smile when you see me get excited about things haunt related. Thank you for helping me to revive the dream of owning a haunted attraction, over and over again. Thanks for sharing the dream with me and loving the journey we are on together. Most of all, thank you for being you!

Introduction

From Screams to Reality!

When I think back on my life and I try to pinpoint the beginnings of my love for the horror and haunt genre, I return to very early childhood where my Dad would set up the movie screen and film projector in our living room and show my friends and myself old horror movies, such as Frankenstein, The Wolf Man, etc. I also reminisce of the Halloweens where my Dad would build what at that time would have been considered elaborate home made props and sets on our front porch and scare the wits out of the neighbors. I think this is where I initially experienced the adrenalin rush of scaring and being scared; a true haunter was born!

Over the years, I've always had a dream in the back of my mind to eventually own and operate a haunted attraction. Growing up, one of my favorite rides at Disneyland was the Haunted Mansion, of course. In more recent adult years, my partner and I would organize and host incredible Halloween theme parties, with elaborate sets, sounds and lighting, which would be attended by as many as 100 people or more. All through my working life, I've always excelled at my jobs, especially where business matters were concerned. I love marketing and advertising, and I've taken every college course I could on the subject. At one point in my life, I decided to go back to college to study computer technology and was very successful working in this field for several years, although I never completed my bachelor degree, only falling short by 3 classes. I've always been the type of person to take the classes in my area of interest with no concern for obtaining my degree.

Eventually I decided that the computer field was not people oriented enough to suit my personal “wiring”, so I decided to leave the technology industry, somewhat, and I took a job for several years at a technical college as a Career Advisor. Although I really enjoyed conducting seminars and workshops, and helping students make a transition into employment in their new field of choice, my creative energies were beckoning me to something different. After a great deal of soul searching and introspection my path led me to move out of California to Eureka Springs, Arkansas to invest in an inn, which my partner and I focused many hours of sweat equity into renovating and decorating with themed rooms. I was unable to take time off of work to make a trip out to Arkansas to investigate the area before moving, so the first time I set foot in Eureka Springs was when I pulled into town in a 26’ truck with all of our personal possessions in the back. I knew I could apply my business knowledge and skills here, especially marketing and advertising. Most of all, I knew I’d have a creative outlet and I’d have the time to be able to pursue my haunting dreams as well.

As an owner operator, I was finally given the liberty to pursue other interests as well. Being an owner operator requires a great deal of time and effort, but it allows you the freedom to set your hours, organize and work around your schedule for maximum productivity. I began rekindling my interest in owning and operating a haunted attraction once again. Over the years, prior to moving to Eureka Springs, I spent much time on the online forums as a voyeur, paying close attention to the questions posed by other haunted house entrepreneurs and to the answers they were given from those with a great deal of haunt and/or business experience. All this information was being archived in my memory banks for future use. Now that I had the time and daily access to my computer without fear of consequence for personal use, I was able to invest time into introducing myself in the online forums and present my questions. I was overwhelmed by the welcome, encouragement

and support I received from my new haunt family. I was well on my way.

Once I decided that I was going to take the “leap of faith” and pursue my dreams of owning and operating a haunt, I began with one of the most critical parts of the process in business ownership, the business plan. I knew from business experience that if I was to obtain venture capital from an investor or financing from a bank, I would need to have my act together and present a strong business plan. Although preparing a business plan can be quite a daunting task, I found myself getting more and more excited as each component of the plan came together. The whole idea seemed to become more and more real as the business plan developed. As I compiled the survey data from the market research we conducted, analyzed the financials from the potential revenue vs. estimated expenses, and prepared the final financial information, I could see that this was actually something we could make work! From this point on, momentum took over!

From the point that we initially decided to purchase our haunted attraction, formed and named the business Eureka Screams!, LLC and the attraction Raycliff Manor, to the lease negotiations and securing a building, the negotiations and final contract agreements with radio stations and print advertisement, and to the point of issuing press releases, which resulted in a tremendous amount of free press and advertising, the time just flew by! Before we knew it we were purchasing a hearse with a trailer that pulls a huge headstone marquee and two Ex Mortis Stalkarounds and conducting publicity stunts all over the area. The dream was, in fact, becoming a reality. Of course, like any venture in life, this didn't come without its trials, tribulations and challenges.

As I mentioned above, due to the press releases we sent out to the media and press, we received a great deal of attention. We had a media night scheduled for our opening, which wound up

having to be moved back a week. What happened was that the company we had contracted to build the attraction for us had run behind in their delivery schedule and proved to be lacking in the area of communication. Without going into great detail, let's just say that we spent a Friday and Saturday night at the haunt location with nothing but an empty building and a lot of apologies to both the press, media and to the patrons who had responded to our radio and print advertising and arrived expecting a show. When we finally opened a week later, one of our actors lost his footing, fell and split open his head on opening night. We had to call for paramedics and shut down for the night. A couple of weeks later, a young man coming through the haunt assaulted one of our female actors and broke her jaw in three places. Fortunately, we not only took out the required liability insurance policy, but we also took out an additional medical insurance policy to cover our actors' medical expenses in the event of an injury. They say things come in threes; the third and final setback we encountered was the incredible amount of rain we experienced on Halloween night. Unfortunately, we didn't have an indoor queue line area for the guests and it was raining so hard there was a river running in front of the entrance to the haunt. Needless to say, we did almost no business on Halloween night.

The good news is that in spite of the challenges we encountered with our first year haunt, we experienced overall success. We were able to cover the first of five annual payments on the haunted attraction business loan, payroll for all of the Fright Team crew, the lease on the building we used, the cost of marketing and advertising (including the development of a web site), both liability and supplemental medical insurance, the storage unit lease to house the attraction in off season, and we were able to bank some finances for startup costs for the next year. If my Dad were alive today, he would be very proud. I may have even heard a few of his "Vincent Price" laughs in the haunt.



So You Want To Be A Haunt Entrepreneur

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So You Want To Be A Haunt Entrepreneur



Chapter One

So You Want To Be a Haunt Entrepreneur

Perhaps you've been a home haunter and every year you can be counted on by your friends and neighbors to elaborately decorate your house or yard for Halloween. Maybe you're the person who throws the best Halloween party amongst your circle of friends, and everyone looks forward to the incredible sets, props and décor that seem to grow in number and professionalism each year. On the other hand, you could be a closeted Halloween or horror genre fanatic and you've always dreamed of operating a haunted house attraction. If you're interested in becoming an entrepreneur in the growing haunted attraction industry, or you've worked in the industry for a non-profit haunt and you've decided take the step of operating as a for profit business, this book is designed to help. Although this book is geared primarily toward the for profit haunt, the majority of the material herein will also benefit the non-profit haunter.

If you're like me, then you've spent many hours sitting around with loved ones or friends dreaming of how awesome it would be to own and operate a haunted house attraction. You've talked about the various themes you would incorporate into

your haunt and the designs you would implement. You've mentally engineered, or perhaps even done so on paper, the room and set configurations that would provide the ultimate scares. You've talked about the reasons your attraction would be so much better than some of the successful haunts you've attended. If you hold this passion for the haunt and horror genre, why not apply your passion into a business venture that can make you money?

There is nothing more exciting and exhilarating than working doing what you love! With Halloween now second only to Christmas in revenue spent by the public, having seen tremendous growth of the past several years, the haunted attraction industry has become a Halloween fanatic's or horror genre lover's land of opportunity. There is actually an international association dedicated to haunted attraction enthusiasts and business owners, the International Association of Haunted Attractions (IAHA). The quality of haunted houses has grown and changed with the industry as well. The garage haunts still exist today; however, many have evolved and continue to evolve into larger attractions that draw thousands through their doors every year.

Many haunted attractions throughout the United States are constructed in permanent locations, operating seasonally for six to eight weeks per year. They are successful enough a couple months a year to afford the owners the luxury of purchasing the property. Some attractions operate successfully several months out of the year and some are open year round. There are even Halloween or haunted theme parks that operate successfully with several haunted attractions in one location. What I'm saying is this; there has never been a better or more exciting time to tap into this exciting industry. It does require hard work, perseverance and dedication; however, if you know this is your passion and you possess a love of the genre, there is no reason why you shouldn't move forward to realize your dreams! As I share with you information to help you on your

journey toward success, I'll also share the fun and excitement I am experiencing as a haunt entrepreneur.

Purpose: When I set out to write this book, I decided I wanted to write a book that would be as comprehensive as possible and cover all of the business oriented topics that relate to starting up in the haunted attraction industry. What this book is not is a book on set designs, make-up tips, and prop making ideas. An excellent book with this type of information, which would make a great companion to this book, is "The Complete Haunted House Book" by Tim Harkleroad.

My desire is that this book will encourage entrepreneurs to pursue their dream of opening and operating a haunted attraction and help them to be successful in negotiating the hurdles of this venture. Deciding to go into business for your self is a scary, yet exhilarating experience. The history of haunted houses has shown that, with the right planning, business knowledge, and attention to safety, there is no reason why you cannot share the success of many other haunted attraction owners. My goal in writing this book is also to help align your enthusiasm, passion and love for the haunt genre with good common sense business practice. In doing so, I hope to have you feel I have partnered with you in achieving your personal goals.



Putting Together a Plan



Chapter Two

Business Plan, Business-Plan, Business Plan!

Often, people ask, “What is the first step in starting a haunted attraction business venture?” Many people don’t realize that I actually started working on my plans to operate a haunted attraction several years prior to opening the doors to my attraction, Raycliff Manor. Of course, one of the primary obstacles to starting was the financing. When researching the idea of starting such a business venture, I quickly realized that a sizable amount of funding would be required to do so. Since I’m not independently wealthy, and I don’t have rich relatives, I would need to be able to obtain financing. The best way to be considered for a business loan is to have a professional business plan to present to your loan officer and to the bank board, if you are lucky enough to have the board’s attention.

Getting your loan request considered by the bank is but one reason to invest the time and effort into constructing a solid business plan. You will find a haunted attraction business venture is no different than the formation of any other business. In order to run a business successfully, you will need to know your market; I’ll talk about knowing your market more in the “Marketing & Advertising” chapter of this book. Part of

developing your business plan is conducting surveys and/or researching the market demographics of the area in which you plan to operate. You will also need to have a good financial plan within your business plan. In order to be successful, you will need to have an idea of the costs associated with operating your haunt, as well as the allocation of the finances you may be borrowing. Projections are a significant part of your business plan. You will need to estimate the anticipated attendance of your attraction and the growth of that attendance. You will also need to be able to project your expected expenses over a period of time. Keep in mind, your business plan is a tool to be used not only to obtain the financing for your venture, but also to keep you on track with your goals and objectives as you grow your business. Even if you already have the finances to start your business, you will need to go through the work of developing a strong, comprehensive business plan in order to guarantee the success of your business.

The business plan is often something that people regard as extremely difficult or a task that individuals would rather skip. I am going to show you that developing a business plan isn't really all that scary. I decided to address the topic of the business plan first; however, you will want to read this book in its entirety before proceeding with yours. The following chapters contain a wealth of information you will want to consider in order to evaluate and develop the plan that best suits your particular situation and your haunted attraction. As I go through the steps of creating a business plan, you will see how developing the plan can be fun, and I will provide samples of each section of the business plan to make it easier for you to work on yours.

Before you begin writing your business plan, try to see your haunt as already in operation and successful. This is a great visualization exercise and a great way to get your creative juices flowing. The creativity can start now. It should not wait until you begin the construction of your haunt. Remember,

your business plan is a sales tool that will convey many aspects of your haunt which will contribute to its success. Get excited about your haunt and you can incorporate this enthusiasm into your business plan.

Getting Started With Your Business Plan:

There is no hard, fast rule regarding the format of a business plan. I've seen very long and very short ones. The point of it is to get the relevant information together in a comprehensive manner that conveys the pertinent information about your company. You may be seeking financing; you may be looking to solicit a partnership, or you may just be looking to put your plan of action in writing for the sole purpose of keeping yourself on track with your business goals and objectives.

The order of the elements contained in a business plan can vary as well. The Executive Summary can be either at the beginning or at the end. In a nutshell, your business plan should consist of a cover page and the following 7 primary sections.

- Executive Summary
- Business Description
- Market Strategies
- Competitive Analysis
- Design and Development Plan
- Operations and Management Plans
- Financial Components

I'll go through each section and attempt to explain a thoroughly, yet as concisely as possible. Keep in mind that I'll also be providing samples for you to review.

Cover Page

Your business plan will start with your cover page. On the cover page, you will want to display your company logo, (I'll talk more about company professional logos in the "Marketing & Advertising" chapter of this book), your business name, the names of the members of your business, and the date.

Executive Summary

The Executive Summary is just that, a brief summary of your business plan. You'll want to indicate what it is your company will be doing, (i.e. what service you will be providing, what product you are selling, etc.). Cover the financial points outlined in your business plan, such as your projected sales, capital requirements and any other relevant financial data. In the executive summary you will also need to identify the key personnel, such as the owners, board members, management team, etc. and indicate the related achievements and experience of these individuals. If you are writing a plan for a start-up business venture, you can still list the past achievements of the team members which reflect acquired skills that will be applied to the new business.

Business Description

For the Business Description section of the plan you will indicate the legal form of operation of the business, such as a corporation, partnership, sole proprietorship, or some other kind of legal entity, such as a limited liability partnership. You should also explain who owns the company and, if there is more than one owner, in what proportion. If your business is a corporation, specify whether it is a C (the more standard type) or an S (more suitable for small business without many different owners) corporation. Also, of course, specify whether it is privately owned or publicly traded. Briefly describe offices

and locations of your company, the nature and function of each, square footage, lease arrangements, etc.

Provide the reader of your plan with a description of your industry. If you have obtained market research data on your intended service, (I'm assuming entertainment in the haunt industry because you are reading this book), indicate what you know about the industry, how you plan to stand out as unique or what plans you have to secure a competitive edge. If your plan isn't too complicated, keep the descriptions of your business short, describing the industry in one paragraph, the product in another, and the business and its success factors in three or four paragraphs to conclude the business description section. You will be covering this same material again in greater detail later in the business plan, but the point of this section is to grab the attention of your reader and let them know that your plan is worth further investigation.

Market Strategies

In planning your market strategies, you will first need to conduct a market analysis so that your market can be defined. The market analysis will help you to determine your competition, your promotional strategies and pricing. You'll want to begin your market analysis by defining the market in terms of size, structure, growth prospects, trends and sales potential.

By educating yourself on the success and ticket sales experienced by the competition in your area or nearby, you can get a pretty good idea of the sales potential that exists for your haunted attraction. That is, of course, if you provide a show of the same caliber or better. If the competition has experienced a 5% rate of ticket sales growth per year on average over the past 5 years, you can use this information to project your sales growth. Obtaining market demographics for your haunt may prove to be challenging, especially if the competition is

unwilling to work with you to cross-promote and is not willing to share their confidential market data. If your competitor doesn't throw the doors open to you and embrace the announcement of your attraction, don't take it personally. After all; you are the competition. You may find it necessary to investigate other avenues in order to conduct your market analysis.

If your area has organizations that cater to individuals in the age groups you suspect may be your target audience, go to them and ask them if you can obtain contact information to help you conduct a survey. Try your local Chamber of Commerce and ask them to help you with contacts. You will often be surprised how helpful they can be. Let them know you plan on becoming a member once your business is established and then do so. You can ask permission from the local schools to distribute a survey there, or go to your mall or shopping center and distribute them. Remember, individuals usually want something in return for taking the time to fill out and return your survey forms. Come up with an incentive like a drawing for 8 free tickets to your haunted attraction when it opens, movie passes to see the latest horror flick, etc. When you get creative, you can have fun with it.

Once you've narrowed down and determined your target market, you will want to include information in your business plan on the process you utilized to determine your market and the market data on your prospective audience, such as target population size, age demographics, area demographics, etc. At this point, you will include in your business plan, the strategy you plan to use to put your attraction in a position to succeed.

When discussing market strategy, it's inevitable that positioning will be brought up. A company's positioning strategy is affected by a number of variables that are closely tied to the motivations and requirements of target customers. Your strategy will also be impacted by the actions of your

competitors. Before your haunt can be positioned, you need to answer several tactical questions such as:

1. How are your competitors positioning themselves?
2. What specific attributes does your attraction have that your competitor/s' don't?
3. What customer needs does your product or service fulfill?

Once you've answered your strategic questions based on research of the market, you can then begin to develop your positioning strategy and illustrate that in your business plan. A positioning statement for a business plan doesn't have to be long or elaborate. It should merely point out exactly how you want your product perceived by both customers and the competition. You can see an example of this in the sample business plan provided in this book. Remember; please don't just copy the sample business plan. If you cheat yourself now, your business success will probably be impacted by your lack of ownership in your business plan. I'm trying to help, not provide shortcuts. (Wink).

You'll want to discuss your entry, marketing and growth strategies. For your entry strategy, how do you plan to introduce yourself into the market and with what type of presence? Convey to the reader of your business plan how you plan to wow the public. Will you offer an incredibly low price due to the fact that you received such an excellent deal on the purchase or construction of your haunt, and you are able to pass this along to your customer? Do you have the newest technology and the latest and greatest product in the industry in your haunt, which has never been seen in your target demographic area? You get the idea. Thoroughly cover your marketing plans for the business and include information on all forms of marketing you plan to utilize: for example, branding techniques, press releases, print advertising, radio advertising,

web site and Internet presence, and publicity stunts. Be specific and detail your marketing plans. A good investor/lender knows that marketing and advertising is crucial to the success of any business and they will be carefully scrutinizing your marketing and advertising plans. For growth strategies, you'll want to discuss your long term goals and plans to pursue growth in attendance to your attraction. Do you plan to grow the business, providing a larger haunt and longer experience with improved sets, props, and scares? Will you step up your marketing efforts to reach a larger geographical area? Share your growth plans with the reader.

Competitive Analysis

When you address the competitive analysis section of your business plan, this is not an opportunity to trash another haunt. (Smile) You will use this section of the plan to convey to the reader your knowledge of the industry and, more specifically, your knowledge of those already in business in this industry in your area: your competition. Begin by explaining the general nature of competition in your type of business, and how customers seem to choose one provider over another. What might make customers decide, visibility or ticket pricing, reputation, or image and visibility? Is location important? How influential is word of mouth in providing long-term satisfied customers. Compare your attraction, in light of these criteria, to the competition. How do you stack up and what are advantages do you possess? Without insulting another business, emphasize the strengths and advantages your haunt will have in the market.

Design and Development Plan

Typically, the purpose of the design and development plan section is to provide investors with a description of the "product's" design, chart its development within the context of production, marketing and the company itself, and create a

development budget that will enable the company to reach its goals. For a haunted attraction business plan, the purpose of this section can be used to share your research efforts and the history of the development of your business. As you can see in the sample business plan provided in this book, we changed the title of this section to “Research and Development”. This is a good example of the point I made earlier when I said that a business plan is not something that is set in stone. As long as you are conveying relevant and informative data to help give the reader of the plan a clearer picture of your business, you have a certain amount of creative liberty in writing your plan. Our lending agent actually complimented us on the fact that we tailored our business plan so well. He often receives business plans from individuals who have utilized “fill in the blank” software and prepared a business plan with very little “ownership” of the plan. He informed me that it only takes a few very poignant questions to determine that the plan was not prepared with a great deal of thought and consideration on the part of the loan applicant.

Operations and Management Plans

The Operations and Management Plans section of your business plan is a description of how your business will function day to day. Who is responsible for what, how will their duties be carried out, and what are your capital and expense needs? Show that you have enough resources (facilities, equipment, materials and labor) to operate as planned.

As I also point out later in the “Business Structure / Team Members” section of this book, your team will be typically be made up of a Producer/Business Manager, Director, Marketing & Advertising Manager and an Administration Manager. When deciding on who the key players of your team will be, you will want to break down the primary duties and responsibilities into the aforementioned primary categories. This will help you to

assign the tasks. Usually these responsibilities will be shared with your core team members, including yourself as the owner and your business partners or hired staff. The “Business Structure / Team Members” section of this book also contains a breakdown of each of the roles and the responsibilities associated with each role. This information will help you in the development of your management team.

This section will also include the capital and expense requirements related to the operations of the business. In fact, within the operations plan you'll supply the foundation for the "Financial Components" section of the plan. You will need to break down and calculate the payroll needs, the startup costs, and any overhead that will affect the business budget. Since we were owner operators and, for our first year, we were not guaranteeing anyone a salary, but rather were tying compensation to the success of the haunt, we provided our lender with copies of contract agreements and skipped this section of the business plan, going directly into the financial data, including effects of the loan or investment.

Financial Components

Astute investors and lending agents carefully look over the charts, tables, formulas and spreadsheets in the financial section. I've heard it said that this information is “like the pulse, respiration rate and blood pressure in a human—it shows whether the patient is alive and what the odds are for continued survival.” As a rule, the financial section of the business plan includes three statements: income, balance sheet and cash flow statements.

The income statement will reflect your attraction's ability to generate cash sales. For an already existing business, this report will reflect your expenses and your sales, showing the remaining balance of the sales less the expenses. This report can also reflect your existing capital. The income statement

should reflect the amount of money your company makes or loses during a year by subtracting your costs/expenses from the revenue you bring in to arrive at a net result of either profit or loss. If you are just starting a new business, you can project this information based on the anticipated attendance at your haunt less the expenses to operate in your first season. It sounds complicated, but take a look at the sample business plan provided and you'll see; you don't have to be a Dr. Frankenstein to get it. (Smile)

The cash flow statement is one of the most critical statements your lender or investor will want to see when reviewing your business plan and loan proposal. This statement should show how much cash you will need in order to meet your financial obligations, when you will need it and from where you expect it to come. The statement usually indicates your incoming revenue schedule and the payables to which all or part of this revenue will be allocated. Again, like the income statement, the result of this statement will reveal a profit or a loss. Ideally, you will want to be showing a profit. However; keep in mind that many times a business will not actually result in a profit until the third year of operation or later. Borrowing too little money can be as dangerous as borrowing too much.

The last financial statement you'll need to develop, providing you have already been in business and you have a financial history, is the balance sheet. The balance sheet will use the information provided from all of the financial models in earlier sections of your business plan, but the balance sheet is only generated annually providing a summary of all of your financial information. This information will once again be broken into three areas: assets, liabilities and equity. By providing this information, you are giving your lender or investor a "snapshot" of the health status of your business.

For more educational information on developing business plans and further instruction on all of the components of the business

plan you may want to check out a couple of useful resources: SCORE and the United States Small Business Association. The SCORE Association is a national nonprofit organization with a public service mission. SCORE's 10,500 volunteers provide small business counseling and training through a network of 389 chapters, 800 branches and its Web site www.score.org. Part of the mission of the Small Business Association, SBA, is to maintain and strengthen the nation's economy by aiding, counseling, assisting and protecting the interests of small businesses. You can learn more about the SBA at www.sba.gov. Both of these organizations will provide you, as an entrepreneur, a wealth of information and assistance, including business counseling from a volunteer in your area.

The following is a sample of a business plan written by me for the specific purpose of obtaining financing for our new haunt business venture. I intentionally left out financial information as this will obviously vary from one situation to another. I recommend that you read through this business plan to help give you inspiration in writing your own plan. Remember, you have to own your plan and nothing would be more embarrassing than to have a bank officer or potential investor ask you to explain a part of the plan that you had merely copied. The more *you* put into *your* business, the more *you* will get out of it.

SAMPLE BUSINESS PLAN



Eureka Screams!, LLC Presents...

Raycliff Manor Victorian Haunt

Eureka Springs, AR 72632
(479) 253-7887

Lee Ostergren and Kelly Allen

11-06-03

Executive Summary

Lee Ostergren and Kelly Allen, in response to the following market conditions, will form Raycliff Manor as a partnership in November 2003 in Eureka Springs, AR:

- Start-up opportunities exist in the Haunted Attractions industry, as is demonstrated by the success of “_____”, “_____”, and “_____ Haunted House”, all located in (nearest to your area).
- Eureka Springs has a huge population of tourists during the Fall Season, one of the busiest tourist months of the year.
- Eureka Springs is surrounded by quickly growing cities, such as Rodgers, Fayetteville, Springdale, etc., all with large populations in the 17 to 25 year age bracket – Perfect demographics for a haunt.

The basic components of this plan are:

Eureka Screams! Presents: **Raycliff Manor**

Objectives:

- Highest quality attraction at competitive pricing with outstanding Customer Service!
- Target the surrounding areas, such as Fayetteville, Rodgers, Springdale, and Harrison, as well as cities in nearby Missouri.
- Utilize City Advertising and Promotion Commission, CAPC, leads to market potential tourists who are already requesting the Visitor’s Guide and information on Eureka Springs.

- Utilize existing TradeWinds web site, www.eurekatradewinds.com, to introduce Raycliff Manor Haunted Attraction through new web site link.
- Advertise through corporate and/or local business sponsorships.
- Radio and Television airtime
- Brochures – Partner with Eureka Chamber of Commerce and utilize direct mail marketing to distribute haunted attraction brochures.
- Branding through effective marketing efforts, resulting in high volume attendance, thereby achieving higher profits.

Corresponding Goals:

- Sign sponsorship contracts – obtain signed agreements with five major sponsors by 06/01/04.
- Advertising – have signed agreements with one major local radio station by 06/01/04.
- Web site – have professional web presence completed by 06/01/04.
- Company logo – have company logo complete and ready for print by 03/01/04
- Brochures – have Raycliff Manor Haunted Attraction brochures printed and ready for distribution by 07/01/04.

To this end, we need to secure a loan in the amount of \$_____.00 to cover the costs of leasing property located at _____, purchase the complete haunt, (please see haunt itemized breakdown and costs on attachment A), to cover the cost of liability insurance required for operation of haunt, to promote the haunted attraction through radio, television, and print advertising, and to develop a professional web site. The company will

be run initially as a partnership and will be organized as a limited liability corporation in 2005.

Expenses / Investment			
	Year 1	Investor	Loan Amount Needed
Victorian Mansion Haunt		Lee Ostergren & Kelly Allen	
Marketing/Advertising		Lee Ostergren & Kelly Allen	
Additional Props/Equipment		Lee Ostergren & Kelly Allen	
Property Grading & Tree Removal		Lee Ostergren & Kelly Allen	
Actor/Volunteer Prizes & Compensation		Lee Ostergren & Kelly Allen	
Total			

Raycliff Manor History

Raycliff Manor Victorian Haunt was recently conceived and is still in the beginning stages of development as a Eureka Springs attraction, pending approval by the City of Eureka Spring, the Eureka Springs Historic District Committee, and approval of a business loan. To this point the following has been accomplished:

- Market research (demographics and other haunted attractions performance) has been conducted to establish the potential success of a haunted attraction in the Northwest Arkansas, specifically the Eureka Springs area.
- A Victorian themed haunted attraction, (see Attachment A), has been located and a price has been negotiated for its purchase. (If purchasing a used haunt... This particular Haunted Mansion themed attraction has been featured at the Ohio Fairgrounds for 7 years now; however, this unit is 2 seasons old. This attraction in Ohio has averaged approx. 20,000 customers per season).

- We have teamed up with a writer in San Diego who will be developing the haunt “story line” and writing the text content for the web site and print ad marketing.
- We have located a web designer who will be designing and developing the Raycliff Manor Victorian Haunt web site.

Raycliff Manor Description

We intend to offer one of the best, haunted attraction experiences in the area. Raycliff Manor incorporates innovation, technology, and realism, providing visitors a terrifyingly great bargain that they will want to experience again and again. This attraction possesses all fire rated walls, all the paint on them also has a Rosco fire additive added to the paint as well. Emergency exit doors are located every 50' of walking distance to ensure easy exit access for customers. Battery back up light in case of power loss, as well as emergency back up exit signs are located above every door. This unit also has 4 10lb.abc fire extinguishers for safety.

The Haunted Victorian Mansion attraction is _____ square feet of rooms and mazes and fits perfectly in the (40'x80' tent, metal construction warehouse, etc.), which is also fire rated. The tent is only 1 season old and is in excellent shape.

Raycliff Manor:

- Offers the best attraction at the fairest price in the market.
- Is the most realistic haunt in the area with great attention to set detail and realism.

- Provides one of the scariest walk-through haunted houses in (Northwest Arkansas).
- Offers our visitors better value per dollar spent.
- Provides a unique haunt experience through innovation and design.
- Provides an attraction/service, which is not currently available in this area.
- Is strengthened by a team with combined management, design, and artistic skills and experience.

This attraction will run five weeks per year, beginning at the end of September and through October.

Even though the innovation and design work used to enhance this attraction is new, we expect that others will be able to substantially reproduce our results within 2 years. To remain on the leading edge, we will need to devote approximately 10% of revenues toward research and development. Also, due to the fast changing nature of this industry, we will need to update the themed rooms within 2 years. We have taken this into consideration in our long-term continued research and development plans.

Service:

In order to maintain a unique attraction and remain competitive in providing the best service to customers at the best possible price, we will hold a commitment to the following:

1. Maintain state-of-the-art props and set design to maintain public interest and repeat business.
2. Our consulting practice will address these specialized areas:

- a. Research new haunt technologies, products and services
- b. Expansion of haunted attraction to provide a greater haunt experience without increasing costs or overhead
- c. Investigate methods of entertainment for crowds while they are waiting to enter the Raycliff Manor Victorian Mansion Haunt

Objectives

Long Term

As the owners and operators of Raycliff Manor, we believe strongly in innovative, technical, financial, business, and moral excellence. To secure a stable future for all those connected the Raycliff Manor Victorian Mansion haunted attraction, we have the following long-term goals:

We want to be considered by our peers to be the market leader in sales as evidenced by the following:

- Trade industry awards and recognition with the International Association of Haunted Attractions (IAHA)
- High end of scale in financial ratios
- Major market share in NW Arkansas and SW Missouri
- Technical excellence (awards, honors, etc.)
- Community involvement (Significant contribution to local charities)
- Decreased overhead leading to higher profits
- Addition of licensed products, such as hats, t-shirts, buttons, etc. to generate additional revenue

Short Term

- Market share goals (Percentage of individuals in target market that we will attract to our haunted attraction –

First Year	20%
Second Year	40%
Third Year	60%
Fourth Year	100%

- We will concentrate on initial start up and begin production of the first season haunt, to be completed within nine months of initial funding, for public opening.
- Decrease overhead through use of college theatre students and local volunteers (offer rewards based on attraction performance).
- Attend haunted attraction industry trade show (i.e. Transworld) in Chicago.
 - a. Budget for necessary seminars and/or continuing job-specific education.
- Maintain state-of-the-art accounting system for careful financial tracking.

Our Competitive Advantage

The distinctive competitive advantages Raycliff Manor brings to this market are the following:

Innovation in design and realism and a commitment to offering the “most frightening” experience in haunted attractions.

Sophistication in overall experience: We strive to have the guests leave wanting more; to have had a mind-blowing experience that is unique to Raycliff Manor and one that will have customers talking about it until the next season arrives.

The philosophy of Raycliff Manor is to price not just according to our costs, but also according to what the market will pay, while leaving the guests feeling like they have received a bargain. By pricing to the market, we will achieve higher sales and therefore increase our buying power. The buying power will allow us to qualify for greater product discounts and result in a greater return on haunt improvement investments.

Raycliff Manor will be located at _____, which is located directly adjacent to the Visitors Center & Trolley station. This will offer high visibility to tourists.

We plan to strike a deal with the Chamber of Commerce / Visitors Center and request use of their parking lot after hours. The Chamber of Commerce can charge for this parking thereby generating additional revenue for the Chamber.

To control the market competition, we will monitor the markets and adjust pricing accordingly if necessary.

By keeping overhead low, we will be able to funnel profits back into operations, thus avoiding high debt ratios or lost sales opportunities.

A pre season direct mail campaign directed at both existing and prospective new customers, consisting of an informative newsletter.

Consideration will also be given to attending trade shows around the Country.

Summary

Through our leadership, we will be able to reduce overhead as a percentage of sales, thereby increasing the amount of profit to be retained in the business. Because of our location and Customer Service policy, more people will attend our haunt, thus increasing the size of the market and our market share. What we propose to use are just good solid business sense, economies of scale, and the use of efficient financial techniques. This will allow us the following options:

Increase service

Increase advertising

Reduce prices

Increase profits

Increase investment in applied design, innovation, and technology used

This plan will give us tremendous flexibility to use any of these options or a mix of them to efficiently attack our target markets and meet our long-term goals. This combination of experience, sophistication, capitalization, and innovation will assist Raycliff Manor as it strives to reach its sales, profit and return objectives.

Pricing

Raycliff Manor Admission Price:

Before we established the price for admission into Raycliff Manor, we determined what our investment and overhead costs were going to be. We then determined what the market price was for the nearest haunted attractions. It was determined that for all but the lowest sales projections, this service would return a profit at our determined price.

To research this price, we posted a message on Hauntworld.com, a web site dedicated to professionals throughout the nation who run haunted attractions. We first questioned members about the typical admission fees they charge for their attractions and asked other related questions, such as the length of their attractions, the market, demographics, etc. We found that 75% of those polled felt that the price we are planning to charge for admission to Raycliff Manor is “fair market value”.

We have determined that the market price will be set at \$9.00 per person (with a coupon).

Specific Markets

*In December 1998, LeisureCorp Travel Research of Ottawa, Canada, conducted an on-line survey of haunted attractions in conjunction with **Haunted America, Inc.** and **Haunted Attraction Magazine**. A total of 95 attractions participated in the survey with a good cross-section of haunts.*

Here is a summary of the Results:

- Slightly more than one-third of the haunts had been in business three years or less, half (median) of the participants have been in business less than six years and half have been in business more. The average was 9 years.
- More than half of the haunts were in operation from one week to one month, while twenty-five percent had an operating season of more than one month. The average was 26 days.
- In terms of jobs, the 95 attractions represent 6,300 paid and unpaid jobs.
- The attractions surveyed drew a total of 717,500 visitors. Fifty percent of those surveyed had a 1998 attendance below 2,378. The average was 9,963 and 14.7% had more than 10,000.
- The average adult admission was \$6.16 and \$4.70 for kids. In total the attractions surveyed represented \$4.2 million in ticket sales or \$42,000 per attraction.
- The average attendance growth is 29%. Fifty percent saw growth of less than 15%, but still solid growth. Only one attraction reported slower growth in 1998.
- The haunted attractions surveyed were typically around 3,400 to 5,400 square feet.
- The average number of full-time actors was six with 35 volunteers.

Entry Strategy

If purchasing a used haunt, something like this would be applicable: The Victorian haunted attraction we will be purchasing, and naming Raycliff Manor, has been featured at the Ohio Fairgrounds for 7 years now; however, this unit is 2 seasons old. This attraction in Ohio has averaged approx. 20,000 customers per season. We will be adding to this attraction thousands of dollars worth of props and haunt décor we have acquired over the past number of

years and that we have utilized for a home haunt and Halloween themed parties. We will also be investing numerous hours into updating and revising the sets and props in this attraction. This gives us a tremendous price advantage, as we are able to gain entry into this industry with fair market investment.

We intend to market Raycliff Manor through all the normal channels available. These include an advertising campaign targeting the end user in various publications and on radio and through television.

Growth Strategy

After having successfully completed this entry phase into this market in the geographical area we have selected, we will then expand our market by doing the following:

1. Expand advertising and media to cover a wider demographical area.
2. Expand sponsorships to a wider demographical area and distribute discount coupons through sponsor locations.

Targeting New Markets

To continue our growth, we will use the following methods to expand our markets and to increase our new areas of attracting business:

- Customer contact – find out their needs – market surveys and questionnaires
- Customer referrals

- Sales of souvenir t-shirts, buttons, bumper stickers, etc.
- Adding complementary Product/Services and promotional giveaways
- Trade shows
- Research & Development
- Investment in new design and technology for haunt

Location

This business will be operated on the property at _____. This location is ideal for the following reasons:

- The traffic flow has been rated as high
 - Low cost to lease the property for the season OR There will be no property lease fee, since we already own the property.
 - This location is close to the Visitors Center / Trolley Station providing convenience and ample parking for guests.
 - This location is close to downtown, which encourages the visitors to shop and eat in Eureka Springs.
-

Research & Development

We spent a considerable amount of time in researching and locating a professional haunted attraction. Please see Attachment A for an itemized breakdown of haunt to be purchased. We have researched the demographics of the Eureka Springs and surrounding areas to determine the marketability of this product/service (see “Specific Markets” pages of this business plan). We have and continue to conduct a considerable amount of research in the haunted attraction industry, both nationally and locally, and have determined that there is definitely a market for an excellent haunted attraction in the Northwest Arkansas area.

We have also been in touch with the City Advertising and Promotion Committee and we received the following haunted attraction market data / feedback:

“Lane House sponsored a Haunted Hay Ride at Lake Leatherwood 2 years ago, the 3 weekends leading up to Halloween. It was very popular and fun and brought folks in from all over the area. It turned out to be too labor intensive for the small group of volunteers, as it was a very ambitious project! They definitely made money on it.”

“The Fire Dept did a haunted house at the Fire Station downtown for several years. Scary! Again, very popular and well attended.”

Financial Data

Sales Forecast

Sales have been forecast at the following rates:

Increase in Customer Attendance:

Year 2	Year 3
20%	20%

Cash Flow Variables:

We project that we will be able to generate sufficient capital from operation to meet our initial needs after the initial infusion of \$60,000. However, our projections are based upon present real market conditions and data. Should sales not meet projections, adjustments will be made in ordering and long-term commitments decreased or postponed.

Income Statement

Assumptions:

Attendance: We anticipate a first year season run to produce an estimated 10,000 visitors.

Cost of Operation: With the exception of electrical costs, the initial investment of \$_____.00 should cover the cost to purchase the haunted attraction and the entire first year operating costs.

Risks & Variables

We have considered seasonal trends and have forecasted accordingly. We believe the forecasts are conservative. Should we determine that the haunted attraction season can be lengthened and continue to experience successful attendance, we will consider doing so.

Proforma and Balance Sheet

Cost Control

Our books will initially be maintained manually. We plan at a future point to use a computerized accounting package to monitor our financial performance. This information will be compiled at the end of each season for preparation of financial statements. Each season these statements will be reviewed against our proforma statements and appropriate action taken to adjust costs or our budget. If we find that we are continually over budget, our first step will be to re-evaluate our ticketing price for Raycliff Manor and then to re-check our costs to make certain that we are obtaining the best possible prices from our vendors.

Effects of Loan or Investment

The monies borrowed and invested in the Raycliff Manor Victorian haunted attraction will be used for the following purposes:

Purchase of Victorian Mansion Haunt (see Attachment A) - \$00,000.00

Marketing / Advertising Expense - \$_____.00

Additional Props / Equipment - \$_____.00

Property Grading & Tree Removal - \$_____.00

Actors / Volunteer Prizes & Compensation - \$_____.00

***Because the Victorian Mansion Haunt is a “turn-key” operation, we are conservatively estimating the expenses required for additional props and equipment.

***Because the TradeWinds already has an existing office, complete with office supplies, phone system, computer, fax, etc., we will not require the purchase of any of these items.

***Lee Ostergren and Kelly Allen possess a savings of \$_____.00, which we will utilize for unexpected expenses, insurances required for operations, and any legal fees associated with incorporating the business, should we decide to do so.

***Should we decide to add a souvenir / gift shop, we will do so at our own “out of pocket” expense.

*** (I have inserted the following table to give you an idea of the type of spreadsheet you can include in your business plan)

Expenses / Investment			
	Year 1	Investor	Loan Amount Needed
Victorian Mansion Haunt		Lee Ostergren & Kelly Allen	
Marketing/Advertising		Lee Ostergren & Kelly Allen	
Additional Props/Equipment		Lee Ostergren & Kelly Allen	
Property Grading & Tree Removal		Lee Ostergren & Kelly Allen	
Actor/Volunteer Prizes & Compensation		Lee Ostergren & Kelly Allen	
Total			

With a loan amount of \$_____.00 at an annual percentage rate of (7%) for (60) months, and 5 annual payments due each December 1st, we are estimating our payments at approximately \$_____.00 annually.

With an attendance of 10,000 visitors in the first season, at an average cost of \$____.00 per person, we anticipate gross sales of \$_____.00 within the first year's season run.



Go it Alone or Find Business Partners?



Chapter Three

Choosing Your Legal Business Structure

One thing you will need to consider when establishing your business is the form of legal structure you plan to establish for your business. This is something you will want to discuss with your CPA or accountant in order to determine which avenue is best suited for your situation. I'm not going to pretend to be an expert on this topic; however, I will provide you with enough information to help you understand the basic concepts involved in the various forms of business ownerships so that you will be better equipped to investigate the best option for the establishment of your haunted attraction business.

Several things you will want to take into consideration when trying to decide the type of ownership that is right for you are: the level of control you want to have over the business, the amount of structure you are willing to adhere to, the objectives and goals you have for the business and the anticipated size. Other considerations will be how vulnerable you feel you are to lawsuits, the expected profit or loss the business will experience, your need for access to cash out of the business for yourself, whether or not you need to re-invest earnings into the

business and the tax implications of different ownership legal structures.

SOLE PROPRIETORSHIPS

Most small businesses begin as sole proprietorships. This means that they are owned by one person who maintains overall responsibility for running the business. This sole proprietor owns all of the assets of the business and any profits generated. This sounds like the ideal situation right? But remember; this person also assumes 100 percent responsibility for the business liabilities and debts. Legally speaking, as a sole proprietor, you and your company are one and the same.

Advantages of a Sole Proprietorship

- A Sole Proprietorship is the easiest and least expensive form of ownership to organize.
- Sole proprietors maintain total control and, within the parameters of the law, have the liberty to make decisions as they see fit.
- All income (profit) generated by the business belongs to the sole proprietor and they can choose to keep it or reinvest it.
- Profits from the business flow-through directly to the owner's personal tax return.
- If desired, the business is easy to dissolve...

Disadvantages of a Sole Proprietorship

- Sole proprietors have unlimited liability and are legally responsible for all debts against the business. The business *and* personal assets of the sole proprietor are at risk.
- Raising funds is difficult and sole proprietors are often limited to using their own personal savings or obtaining consumer loans.

- Sole proprietors may have a hard time attracting high-caliber employees, or those that are motivated by the opportunity to own a part of the business.
- Some employee benefits such as owner's medical insurance premiums are not directly deductible from business income (only partially deductible as an adjustment to income).

PARTNERSHIPS

In a partnership, two or more people share ownership of a business. As is the case with a sole proprietorship, the individual partners and the company are one and the same. In a partnership form of business structure, the partners will need to have a legal agreement that specifies how decisions will be made and by whom, how the net profits generated by the business will be split, how disputes between the partners will be resolved, how future partners will be decided upon and voted in to the partnership, how partners can be bought out of their share of the business and what the procedure for dissolving the business, if necessary, will be. Of course, a significant consideration in the partnership business structure will be how much time and capital each partner/member will contribute.

Advantages of a Partnership

- Partnerships are relatively easy to establish, although not as easy as a sole proprietorship. A great deal of time and considerations should be invested in developing the partnership agreement.
- With more members of the business ownership, the ability to raise funds is likely to be increased.
- The profits from the business flow directly through to the partners' personal tax returns.
- Prospective employees may be attracted to the business if given the incentive to become a partner.

- The business usually will benefit from partners who have complementary interests and skills.

Disadvantages of a Partnership

- Partners share the liability and they are each held responsible for the actions of the other partners.
- Unlike the sole proprietorship, the profits must be shared with other partners.
- Some employee benefits are not deductible from business income on tax returns.
- Decisions are shared among the partners, which can lead to disagreements.
- If one of the partners decides to leave, or dies, the partnership ends.

There are three types of Partnerships that can be considered:

General Partnership

Partners divide responsibility for management and liability, as well as the shares of profit or loss according to their internal agreement. Typically, equal shares are assumed unless there is a written agreement that states differently.

Limited Partnership and Partnership with limited liability

With a limited partnership, "limited" means that most of the partners have limited liability (to the extent of their investment) but also limited input regarding management decisions, which generally encourages investors for short term projects, or for investing in capital assets. Forming a limited partnership is more complex and formal than that of a general partnership.

Joint Venture

The joint venture form of business acts like a general partnership, but is clearly for a limited period of time or a

single project. If the partners in a joint venture repeat the activity, or continue to remain in the particular business practice, they will be recognized as an ongoing partnership and will have to file as such, and distribute accumulated partnership assets when dissolving the joint venture.

CORPORATIONS

The corporation is by far the most complicated of the three business structures; however, there can be tremendous benefits to incorporating. A corporation is considered by law to be a unique entity, separate and apart from those who own it. As defined by Chief Justice Marshall in 1819, a corporation is “an artificial being, invisible, intangible, and existing only in contemplation of the law”. A corporation can be sued, it can enter into legal contractual agreements, but the owners of the corporation are, in most cases, protected from liability. The owners of a corporation are its shareholders and as such they elect a board of directors to oversee major policies and decisions. Because a corporation is separate in entity from its ownership, it does not dissolve when ownership changes.

Advantages of a Corporation

- Shareholders have limited liability for the corporation's debts or judgments against the corporations.
- Generally, shareholders can only be held accountable for their investment in stock of the company. (Note however, that officers can be held personally liable for their actions, such as the failure to withhold and pay employment taxes.)
- Corporations can “go public” and raise additional funds through the sale of stock.

- A corporation may deduct the cost of benefits it provides to officers and employees.
- Can elect S corporation status if certain requirements are met. This election enables company to be taxed similar to a partnership.

Disadvantages of a Corporation

- The process of establishing a corporation requires more time and money than other forms of organization.
- Corporations are monitored by federal, state and some local agencies, and as a result may require more paperwork to comply with regulations.
- Incorporating may result in higher overall taxes. Dividends paid to shareholders are not able to be deducted from business income, which may result in income being taxed twice.

SUBCHAPTER "S" CORPORATIONS

A tax election only; this election enables the shareholder to treat the earnings and profits as distributions, and have them pass through directly to their personal tax return. The catch here is that the shareholder, if working for the company, and if there is a profit, must pay herself wages, and it must meet standards of "reasonable compensation". This can vary by geographical region as well as occupation, but the basic rule is to pay yourself what you would have to pay someone to do your job, as long as there is enough profit. If you do not do this, the IRS can reclassify all of the earnings and profit as wages, and you will be liable for all of the payroll taxes on the total amount.

LIMITED LIABILITY COMPANY (LLC)

The LLC is a relatively new type of hybrid business structure that is now permissible in most states. It's designed to provide

the limited liability features of a corporation and the tax efficiencies and operational flexibility of a partnership. The formation of an LLC is more complex and formal than that of a general partnership. The owners are members, and the duration of the LLC is usually determined when the organization papers are filed. The time limit can be continued if desired by a vote of the members at the time of expiration. An LLC is different from a limited partnership in that this liability protection allows all owners to play an active part in managing the business. LLC's must not have more than two of the four characteristics that define corporations: Limited liability to the extent of assets, continuity of life, centralization of management, and free transferability of ownership interests.

Again, before deciding the structure of your business organization, I strongly recommend that you discuss your options with your accountant and your attorney to determine which is best for your business situation. This will be time and money well invested in the success of your haunted attraction business venture.



Selecting a Theme for Your Haunt



Chapter Four

Haunt Theme / Storyline

This topic is one that allows you to really exercise your creativity. When considering the theme of your haunt, the sky is pretty much the limit! I've seen haunted attraction with themes that range anywhere from Victorian ghost theme, like ours, to crazed clowns or even aliens. People have used classic horror movie themes in their haunts, including Frankenstein, werewolves, Dracula, etc. and even more modern horror movie characters, such as Freddie and Jason. I've heard of a haunt in California that has a pirate theme that is supposed to be incredible! There are sci-fi haunts with scientific experiments that have gone terribly wrong, and haunts themed around the concept of an abandoned insane asylum. The list goes on and on. Some haunts are a mix of many themes with each room having its own theme but no cohesive concept carried throughout the attraction. The beauty of being a haunt entrepreneur is that the decision is yours, and your business partners if any, to make! This is *your* dream! *You* are manifesting your dreams into reality. Don't forget to keep your enthusiasm and remember to have fun in the process of realizing your dream!

What you want to consider when developing the theme of your haunt is this: are there other haunted houses in your area and will yours be identifiably different? If you decide to have a theme that is carried through your entire attraction, will you want to have a storyline to tell your audience through your print and online advertising media? Keep in mind that you will want to have your graphics and logo correctly reflect the theme. This will be touched on again when discussing the web site in the “Advertising & Marketing” chapter. I would highly recommend that you do develop a storyline for your haunt. You may need to recruit the efforts of individuals you plan to include on your “boo crew” or “fright team”. There’s no better way to get buy in from your team members than to give them some ownership in the creative aspects of the haunt. Have a get together or party and brainstorm ideas. You may find, as we did with our haunt, that your storyline will turn out to be a combination of ideas generated by several individuals.

Your storyline should grab the readers’ attention quickly and almost immediately give them an understanding of the theme of your haunt. You want to build excitement while at the same time causing a bit of apprehension or fear on the part of the reader. Remember, we live in a generation of thrill seekers and adrenalin junkies. If you can’t give them the impression that your attraction will get their heart pounding and their blood pumping, they are not likely to visit your attraction. Keep in mind that you don’t want your storyline to be too lengthy. You want to be able to use it later on in press releases, possibly in your posters or print advertising, and on your web site. If the story is too long, readers will lose interest.

When we set out to develop a theme for our haunt, we began by searching the Internet for existing haunted attractions. This is a great way to start generating ideas. Of course, you never want to steal ideas from another haunt. You can study existing haunted attraction themes and storylines to get an idea of the length, detail, and various methods of presentation. It also is a

good way to make sure you aren't using something that already exists in your area. Try to come up with something original. If your haunt is too similar to another haunt near you, your audience will assume that you copied the other and you can quickly lose credibility in the market. Get crazy with your ideas. Remember, this is for a haunt. If you think your storyline is getting too far out there, you can always reel it back in or tone it down a bit. You might even try conducting a survey of your friends, a nearby college, or anywhere you can address individuals who are likely to be in your target audience. In the survey, ask individuals what haunt theme they would be most interested in and give options. Allow them space to voice their opinions and ideas. It's a good way to begin generating the buzz on your haunt too!



**Times Running Out!
Should I Lease or Buy
My Haunt?**



Chapter Five

Purchase And /Or Construction of Your Haunt

To purchase or to construct, that is the question. When deciding whether or not to purchase a pre-fabricated new or used haunt, or to build one from scratch, the answer usually lies in the budget constraints. There are usually a number of used haunts for sale across the country and sometimes at quite reasonable prices. In the resources section of this book, I have a number of web sites listed, including a couple of sites that often contain used haunts for sale. The reason they are usually selling is that the owners have decided to completely change the theme of their haunt after using the same attraction for a period of time and they are purchasing or building a new attraction. Sometimes the attraction owners have been able to secure larger and/or permanent locations after several years of leasing space, which allows them the ability to build or purchase a newer and larger attraction. At any rate, there are good used attractions to be found. The advantage here is that you will usually be buying a haunt that meets most areas fire and safety code requirements. I recommend that you require the seller to provide you with all the fire rating treatment and paint information, fire retardant specifications of all materials including fabrics, number of fire extinguishers, lighted exit

signs, etc. so you can present this information to your Fire Chief and verify compliance with the local codes.

If you or a business partner is highly skilled at construction, or you have available individuals you can hire to do the building for you at an affordable price, you may decide to build your own attraction. The disadvantage here is that you will need to thoroughly investigate the construction specifications needed to meet fire and safety requirements in your area. Before you begin construction, you will need to determine and secure your location and talk to the City Building Inspector, Fire Chief, and any other city officials necessary to satisfy their requirements for construction. The advantage to constructing your own haunt is that you will have full liberty to build the attraction to your design ideas.

One additional option is to purchase a new haunt that you have designed and constructed for you. This was the option we chose for our first year. This is an ideal situation if you can obtain the funding to pay to have it done for you. The haunt can be built with sets to fit your theme and storyline and to meet the fire and building specifications of the structure you are able to secure. When we decided to pay a company to construct our haunt for us, it was in an effort to expedite the process and allow us to focus on other business aspects, such as securing insurance, establishing our marketing and advertising plan, develop our web site and press release, as well as to focus on many other aspects of establishing the business. Our attraction was constructed as modular walls for quick assembly and disassembly and included a number of pneumatic props, lighting systems, sound systems, fog machines, etc., thereby saving us the time and trouble of locating and purchasing these items individually. There can be downfalls of this option, which I will explain. I am not writing our experiences to dissuade you from taking this route; but I am including this information so that you can learn from the mistakes we made and hopefully avoid encountering the same problems.

Unfortunately, when we signed a contract to have our attraction constructed, we did not stipulate in the contract anything in regard to the deadline such as penalties for late delivery. There was also other information agreed to over the phone that was not included in the contract. As I mentioned in my introduction at the beginning of this book, the company we hired ran behind schedule and arrived two weeks late causing us to miss out on a scheduled media night. We had television stations and press scheduled to be on site to cover our grand opening, which had to be postponed for a week. Unfortunately, we were unable to get the television stations and some of the press to reschedule and return. Because all of our marketing and advertising indicated that we would be open the previous weekend, it was necessary for us to sit at the location, apologize to the individuals that did arrive expecting to visit our attraction, and distribute double value coupons (\$4.00 off admission price). On the weekend we finally were able to open, the attraction was not complete, but operating at a minimum show quality. Fortunately we were able to, with the help of friends, complete, perfect and dramatically enhance the haunt in the week following and provide an awesome show for the remainder of the season.

My suggestion to anyone contracting a company to build a haunt for you would be to get *everything* in writing! Have the company provide you with a detailed itemized list of everything that will be included. If all of the walls are to be pre-painted with fire rated treatment prior to delivery, for example, have that put in writing as well. Make sure you get a definitive deadline and specify penalties, or discounts, that you will receive for each day for late delivery. Also have the vendor specify in writing the number of people that will be helping with the initial setup of the attraction. Make sure you request a background of the individuals, including their experience with setting up attractions like the one you are purchasing. Insist that the crew not leave until everything is

100% complete and all purchased items have been accounted for. Before you submit a deposit and sign a contract, check references! Don't rely on one or two, insist that they provide you with references from recent clients. I can't emphasize this too strongly. It can save you a great deal of heartache in the long run. No matter how nice the vendor you are dealing with may be, they should have no problem satisfying this request, unless they are concerned with fulfilling their commitment to you. Also, you may have the best of intentions; however you may misunderstand or poorly communicate your expectations. Again, the best way to ensure clear communication is to have everything in writing, down to the last detail. As I stated earlier, I learned this lesson the hard way. You know what they say... "an ounce of prevention".



Establishing the Roles of Your Key Players



Chapter Six

Business Organization – Team Members

Responsibilities and Expectations:

When deciding who the key players of your haunt team will be, you will want to break down the principle duties and responsibilities into several primary categories. This will help you to assign the required tasks. Usually these responsibilities will be shared with your core team members, including yourself as the owner and your business partners or hired staff. The key duties to keep in mind are the following:

Producer, Business Manager – in charge of developing the business plan, obtaining funding, purchasing and contract negotiations including property lease agreement, addressing fire and safety code requirements and building inspection. The Business Manager also typically researches and obtains insurance coverage.

Director, House Manager – in charge of recruiting volunteer and/or paid actors, make-up artists and security, as well as crew assignment and scheduling. The House Manager is responsible for special effects such as lighting, sound, costuming and make-up. This person should coordinate the efforts for setup and tear-down of the haunt. As Director this person is responsible for pre-show and post show safety inspections. (In many situations, the Director is the same person as the Producer, in other words, the owner)

Marketing & Advertising Manager –responsible for creating and distributing press releases, print advertising such as posters, coupons and tickets, negotiating radio advertising contracts, the procurement of sponsorships, establishing the web presence (often outsourced) and creating the attractions recorded phone message, which includes the details of the event. (In many situations, the Marketing & Advertising Manager is also the owner).

Administration Manager –in charge of business bookkeeping, payroll, banking, business taxes, box office and Internet sales. This person should confirm the signature of all worker liability waivers by the crew members and distribution of “fright team” handbook safety training manuals. This person also handles the crew sign-in sheet, tracks the hours performed by the crew and handles any accident and/or insurance claims. (Often the owner or a business partner handles this responsibility as well).

Construction Manager - responsible for all aspects of attraction set up, maintenance, build requirements and tear-down. The Construction Manager will oversee and manage the installation and tear down crew and will be responsible for design and construction of all walls, sets, props, sound, lighting, etc. and ensure that all areas of the haunt are designed and built to adhere to fire and safety codes. This individual will be needed on site before, during and after all shows. This

individual will also be responsible for pre-show and post-show equipment inspection and will be in charge of preparing and initiating all equipment such as fog machines, sound, lighting, etc. and making sure that all of the equipment has been turned off at closing. The Construction Manager usually also participates as an actor in the attraction during the show, but with the flexibility of being able to leave the assigned post in order to address equipment malfunctions.

If you have business partners, you will want to determine which responsibilities best fit the talents and qualifications of each individual. Write out a job description for each member/partner and be sure to clearly define the roles and expectations. Be sure to detail such things as the number of hours you expect each individual to dedicate to their assignments. Schedule meetings so that you can discuss what each person is doing and the success each is having in achieving the established goals. You will quickly find out that in the haunt business, your roles will often crossover. Everyone will help out with many aspects of the business; however, it is still a good idea to know who is ultimately responsible for each goal so that the individual can maintain the required focus and keep the efforts on track for their particular responsibilities. Before you get too far along in your business venture, be sure to discuss compensation with the team members to make sure everyone has the same expectations.

Management Compensation:

Compensation is one of the hardest topics to breach when starting a haunted attraction business venture. This is usually due to the fact that you will be working with close friends or relatives. In order to avoid having to face serious issues down the road, the compensation discussion should take place as early as possible. Some good questions to ask to gain perspective are this; who is contributing financially to the efforts to start the business? Are you taking out a loan and who

is ultimately responsible for the repayment of the loan? In other words, whose neck is in the noose? Once you've determined who is taking what amount of financial risk and how many hours will each individual dedicate to the business, you should be well on your way to determining compensation. Discuss this all openly so that there are no questions and everyone is on the same page.

For our haunted attraction, Raycliff Manor, we had two owners, my partner Lee and me. Between the two of us, we handled pretty much all of the responsibilities, with the exception of the duties shown above as assigned to the Director. Because the Director was investing no money into the business venture and this was a first year operation, we offered him a percentage of the net profits. This way he was taking on some risk, in that if the haunted attraction did not do well, he would gain minimal compensation. However; we were able to obtain "buy in" on the part of the Director, as his pay would be directly tied to the success of the haunt. This provided him with the motivation to work hard in the procurement of security, make-up artists and actors and it also motivated him to encourage the crew toward excellence as well. Compensation for security, make-up artists and actors will be discussed separately in the "Recruiting Talent" chapter.

In order to assure him that we would fulfill our agreement with him, we provided him with the following contract, which we had notarized by both partners and the Director. The financial numbers included in this contract are not actual numbers used in the contract but are provided here as a sample of the agreement breakdown.

Whatever agreement you make with your key partners, no matter how good of friends you are or what the relation, be as specific as possible and put everything in writing! This can save you considerable headaches down the road.

Deciding on key players for your haunt team is an important part of your organizing your event. Breaking down the principle duties and responsibilities of each team member into several primary categories will help you to properly assign the required tasks. These responsibilities can be shared between several core team members, or you may be the doing most of the tasks. Either way it is important to have in writing who will be doing what, so that all of the tasks get accomplished.

**Contract Agreement
Between Joe Schmoe & Eureka Screams!, LLC**

This document is to serve as written contract between Lee Ostergren & Kelly Allen, owners of Eureka Screams!, LLC, and Joe Schmoe as Director of Raycliff Manor Victorian Haunt presented by Eureka Screams!, LLC.

As compensation for his duties as Director, Joe Schmoe will be offered 10% of the net profits on revenues received from the operation of Raycliff Manor. This will be calculated based on the following formula. Gross revenues received, less loan payment due bank in December, less expenses incurred above and beyond use of loan monies, less cash bonuses to actors and crew, and less taxes due. For example,

Estimated attendance of 10,000 – Average cost of \$9.00 ea.	- \$90,000.00
Loan Payment Due in December	\$10,000.00
Estimated Reimbursed Out of Pocket Expenses	- \$ 500.00
Estimated Payroll	- \$ 9,000.00
Estimated Taxes Due on Revenues Collected	- <u>\$ 7,650.00</u>
Net Balance	\$62,850.00
Estimated 10% Charitable Contribution to non-profit	- <u>\$ 6,850.00</u>
Estimated Net Profit Before Compensation Distributions	\$56,565.00
Estimated Compensation Due Joe -	\$ 5,656.50

In return for this compensation, Joe will act as Director of Eureka Screams! Presents, Raycliff Manor Victorian Haunt. Joe's duties will include, but not be limited to the following:

recruiting, auditioning, selecting and training the Fright Team actors and crew, as well as security members and make-up artist/s. Joe will be responsible for coordinating the schedules of these individuals and ensuring that all required actor and behind scene positions will be filled for all performance nights. Joe will develop the haunt storyline and scripts for actors where necessary. Joe will act as the contact person for all scheduling and crew coverage and will address tardiness, performance, absences and other issues related to scheduling. We believe the above compensation numbers are a fair and conservative estimation of projected attendance. Keep in mind this is an estimate based on projected revenue intake and this could be higher or lower. Lee and I would also like to state that we believe in reward for excellence and we will, at our discretion, maintain the right to provide additional compensation to Fright Team members, actors and crew, and to Joe, in the form of a cash bonus at the end of the season run.

As we grow the business, we expect to become a much larger venue and hope to pursue the purchase of property and a building so that we can accommodate a larger audience attendance. As we grow the business, the opportunity for financial reward for all of us will grow as well.

Lee Ostergren and Kelly Allen – Owners/Producers, Eureka Screams!

Joe Schmoe – Director, Eureka Screams!

Eureka Screams!

141 West Van Buren

Eureka Springs, AR 72632



Location, Location, Location!



Chapter Seven

Location / Lease or Buy?

The question of whether to lease the space for your haunted attraction or to buy is another one that will most likely be answered by your budget. There are definite advantages to buying a property and we will discuss these shortly. I'd like to start out discussing the advantages to leasing first. One of the primary considerations of leasing a space, even if you can afford to buy, is that you may not know that your location is ideal for a haunted attraction until you have one season under your belt. Even if you can get a great deal on a property, I'd recommend researching the market to see how confident you are that the location will prove to be successful. If for some reason your haunt location doesn't turn out to be a good location, you always have the option of moving to a different location the next year. Perhaps you can ask for a lease to purchase option so that you are not 100% committed to purchasing the property until it has been tested and proven a viable location.

Once you can be assured of a location's success, there are tremendous advantages to being established in a permanent location. I believe most haunters would agree with me that

hands down the best advantage would be not having to tear the attraction down after each season run, put it into storage in the off season and then having to reconstruct it again when the next season begins. Another great advantage to having a permanent location is that you can work on your attraction in your leisure time to enhance and improve your sets, props and special effects. This is the dream of most every haunter. After all, designing and building incredible sets is half the fun of owning and operating a haunt! Although you can do this in a leased space, you usually have a specified amount of time prior to the opening of your haunt to work on it.

Some haunted attraction owners lease land only and set up and operate their haunts under a tent. Depending on the weather in your area, this may be a viable option as well. Of course you'll want to check with your local fire department to find out the codes and requirements for a tent structure and be sure that the materials in and under the tent meet these specifications. An advantage to a haunt under a tent is that you own the tent and can take it with you. I must warn though that I have heard horror stories about haunts being destroyed due to heavy wind and rains and problems encountered with the tent. There is also the security issue as it is not too difficult for an individual to break into the haunt that is set up under a tent and cause a great deal of damage or steal thousands of dollars worth of props, sound equipment and lighting.

Should you decide that you will be leasing a property and/or building for your haunted attraction, you will want to present a lease proposal to the property manager or owners. I am providing on the following pages a sample of a lease proposal agreement that we presented to the Carroll County fairgrounds in order to secure a temporary location for our haunt. You can use this as a guideline for your lease proposal.

July 21, 2004

**Eureka Screams!, LLC
141 West Van Buren
Eureka Springs, AR 72632**

**Carroll County Fair Grounds
C/O Senior Board Member**

Senior Board Member,

This document will serve as a contract for a temporary lease for the period between September 17th and November 7th of this year to produce a fall attraction, Raycliff Manor Victorian Haunt, a percentage of net profits (10%) to benefit the local Lane House children's charity. We will be leasing the 29.5' x 152' non-air conditioned east building space to the right of arena entry. We will also be utilizing the ticket booth for ticket sales. We accept the property as is, provided all stored goods and equipment are removed from the actual area to be used and floor area cleared. Our crew will gladly assist with moving these. We will bring over 10,000 new customers to the area the first year, many who will become future patrons of the city, visit the inns, stores, and restaurants in the area, which contributes to a stronger local economy. We propose to pay you \$_____ for the 7 weeks we are in the location (\$_____ per week, including utilities).

The haunted attraction we are purchasing is constructed using prefabricated sets and panels, all of which have a class 'A' fire rating. The company designing and prefabricating the attraction for us will be coming to Carroll County to supervise and assist with the set up of the haunt. The attraction is

designed to meet and exceed all life safety and fire codes set forth by the city and NFPA. We will open the haunt for customers on September 24th. We'll need to start setting up the attraction September 17th. We will run the attraction on the following 17 dates:

**Friday September 24th - 7:00 pm to Midnight
Saturday September 25th - 7:00 pm to Midnight
Friday October 1st - 7:00 pm to Midnight
Saturday October 2nd - 7:00 pm to Midnight
Thursday October 7th - 7:00 pm to Midnight
Friday October 8th - 7:00 pm to Midnight
Saturday October 9th - 7:00 pm to Midnight
Thursday October 14th - 7:00 pm to Midnight
Friday October 15th - 7:00 pm to Midnight
Saturday October 16th - 7:00 pm to Midnight
Thursday October 21st - 7:00 pm to Midnight
Friday October 22nd - 7:00 pm to Midnight
Saturday October 23rd - 7:00 pm to Midnight
Thursday October 28th - 7:00 pm to Midnight
Friday October 29th - 7:00 pm to Midnight
Saturday October 30th - 7:00 pm to Midnight
Sunday October 31st - 7:00 pm to Midnight**

We then calculate that it will take us a week for tear down, with us being completely out of the fairgrounds building by the end of the day on the 7th. So, we will need to occupy the space from September 17th through November 7th, approximately 7 weeks, but actually operating 17 days of this time. We will provide our own insurance, a \$1,000,000.00 liability policy. We will also be utilizing and enforcing the attached “House Rules”, “Safety Inspection”, and “Worker Release” forms.

The Fairgrounds board members have the opportunity to set up concession stands and sell food and/or soft drinks to generate additional revenue. There are also sponsorship opportunities available at no cost to our landlords, which

include logo placement of your name on all of our printed materials, posters, coupons, and tickets, which will be distributed at all sponsors' stores (TBD) throughout parts of Arkansas, Missouri, and Oklahoma. The Carroll County Fairgrounds will also receive mention on every radio advertisement spot. Eureka Screams! is a member of the International Association of Haunted Attractions (IAHA). Our website is www.eurekascreams.com. Signed in agreement between Lee Ostergren and Kelly Allen, Eureka Screams!, LLC owners and Carroll County Fairgrounds executive board members.

X _____ X _____
X _____ X _____

Lee Ostergren & Kelly Allen Board Members
Eureka Screams!, LLC Carroll County Fairgrounds

Be prepared to present the property manger and the property owner with all the fire code specification sheets related to your attraction. You also may need to obtain a certificate of occupancy from your local building inspector and evidence of approval from the fire department to operate your attraction. Be sure to have your ducks in a row and have opened excellent communication with the local Fire Chief and Building Inspector prior to submitting a lease proposal. You will want to determine if the building you are interested in leasing has a fire sprinkler system in place. If so, this is something you want to make sure to point out to the fire department. If the space does not have a sprinkler system, you will need to find out if it is a requirement of the fire department before you proceed with a lease agreement. Other considerations are the ceiling height, the number of exits and restrooms available to the public. Finding out that you are not in compliance with fire codes just prior to opening is a haunter's worst fear. The fire department can be your best ally if you assure them that your primary

concern is safety and you maintain a good rapport with them. They want to help and they are looking out for the safety of your self and your patrons. Help them to help you have a safe and successful haunted attraction. I address this and other safety issues in the next chapter of this book, “Safety / Fire Codes / Security!”



Ensuring the Safety of Your Haunt



Chapter Eight

Safety / Fire Codes / Security!

When addressing the issue of safety, enough cannot be said about the importance of this topic. Accidents can and may happen; however, you can do much to decrease the odds of such occurrences. To express our concern for safety, we provided documentation to the Fire Department, the Building Inspector and the Carroll County Fairgrounds Board members including a safety Emergency Action Plan (EAP), our standard operating procedure (SOP) for a safety inspection, a worker's release of liability and damage waiver that is required to be read and signed by all crew members, as well as the house rules, which are clearly displayed for patrons visiting the attraction. We included all of this information in our Fright Team Handbook which we distributed to each of our staff members. I am providing this information so that you can review it and it is my hope and desire that you would implement these safety practices as well. This is information that puts a smile on the face of your insurance agent's face as well.

Raycliff Manor Victorian Haunt

EMERGENCY ACTION PLAN

*****This Emergency Action Plan and the Fright Team Handbook was developed to be a comprehensive introduction and training manual for the team members of Eurkea Screams!™ who would be participating in the Raycliff Manor haunted attraction. I developed this handbook incorporating a compilation of information shared with me freely through my online friends at the Hauntworld forum and from information provided in the Haunter's Handbook, Safety, and Business Practices Manuals provided by the International Association of Haunted Attractions, IAHA.*****

Attraction Location:

Carroll County Fairgrounds (Scaregrounds)

104 CR 401, Berryville, AR

Eleventh Hour Incorporated

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Introduction & Purpose

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INTRODUCTION & PURPOSE:

This plan sets forth the policy and procedures to be followed in various types of emergencies. The plan purpose is to prevent and minimize loss of life, injury, and property damage which may result from emergency situations.

DEFINITIONS:

“Haunted House” shall mean the annual event sponsored by Eureka Screams!, LLC “Staff” shall mean the persons constructing, operating, performing in, or otherwise supporting the haunted house production, and includes volunteer/employees of Eureka Screams!

“Visitors” shall mean members of the general public attending the haunted house.

“Building” or “Facility” shall mean the space located at the Carroll County Fairgrounds, Berryville, AR leased by Eureka Screams!™ for a purpose or producing the haunted house amusement event. “Fire Department” shall mean the Carroll County Fire Protection District. “Police Department” shall mean the Carroll County Police Department.

Box Office Manager

For each public performance, a Eureka Screams! Employee or Adult Volunteer shall be designated to serve as Box Office Manager. Box Office Manager shall be provided with a two-way radio. In the event of a fire or other emergency requiring outside assistance, the House Manager or Safety/Security Staff will notify (in person or by radio) the Box Office Manager, who will then call for such assistance.

STAFF RESPONSIBILITIES:

House Manager

For each public performance, a Eureka Screams! Employee or Adult Volunteer shall be designated to serve as House Manager. The House Manager shall be present on the premises for the duration of the time the haunted house is open to the

public. If the House Manager must leave the premises (even for a brief period), he/she shall delegate responsibilities to another Eureka Screams! employee or another adult volunteer. The House Manager shall have overall responsibilities for the safe operation of the House and for the implementation of the Emergency Action Plan.

Safety/Security Staff

For each public performance, Eureka Screams! Employees and Adult Volunteers shall be designated as Safety/Security Staff. Safety/Security Staff shall conduct frequent safety inspections of the public and non-public areas of the facility. Unsafe conditions (fire hazards, electrical hazards, tripping hazards, etc.) shall be corrected immediately, if possible, or reported to the House Manager. Safety/Security Staff members will each be equipped with two-way radios. At least one uniformed police officer will also serve as a Safety/Security Staff member. He/She will also be equipped with a Eureka Screams! two-way radio and will call for any outside assistance, or notify the Box Office Manager to do the same.

COMMUNICATIONS:

At all times when the Haunted House is open to the public, the following Staff shall remain in contact via two-way radios:

- House Manager
 - Box Office Manager
 - Safety/Security Staff, including any uniformed police officers
- Emergency instructions and announcements shall be made by word of mouth or PA system.

Lighting/Sound Technician

For each public performance, a Eureka Screams! Employee shall be designated to serve as the Lighting/Sound Technician. In the event of an emergency requiring an evacuation and as directed by the House Manager or Safety/Security Staff, the Lighting/Sound Technician shall:

- Turn ON house lights
- Turn OFF all house music and sound effects
- Turn OFF all scene lighting and power
- Make Announcements over PA system

Staff and Volunteers

All Haunted House Staff shall take responsibility for their own safety and for the safety of those in their immediate vicinity. Observations of unsafe conditions shall be immediately brought to the attention of the Safety/Security Staff or other responsible persons. Staff shall familiarize themselves with the Haunted House layout, exits and emergency corridors, and the path to primary and alternate exits from the particular location in which they are working.

Portable Fire Extinguishers

The House shall be equipped with at least one multi-purpose dry chemical fire extinguisher per emergency exit. House Staff shall be instructed that the portable fire extinguishers have been placed for use by trained individuals and for FD use. **Staff shall not be permitted to use the portable fire extinguishers unless they have been trained to do so.**

Emergency Exits & Means of Egress

The building has 6 exits located on all sides, and will have 4 main exits in the immediate area of the Haunted House. The Haunted House set (walls, scenes, mazes, etc.) shall be designed and constructed in such a way to ensure that each point along the public pathway through the House has an accessible route to the primary exits. Each point along the public pathway shall also access at least one other alternate exit.

Emergency Lighting System

The building has a back-up battery-powered emergency lighting system, which will activate in the event of a total power failure. Proper functioning of the system shall be

demonstrated to the satisfaction of the FD prior to first opening of the House to the public.

FIRE PREVENTION PLAN:

Emergency Exits & Means of Egress, cont.

The building emergency exit signage shall be supplemented with Glow in the dark exit and directional signage to clearly identify corridor access to the emergency exits. At no time shall access to the building exits be obstructed by construction, props, or stored materials. Pathways to the exits shall be unobstructed and free from tripping hazards.

Electrical Hazards

All electrical equipment, lighting fixtures, extension cords, outlet strips, motors, display devices, and accessories, operating at 120 VAC or greater, shall be UL approved and inspected prior to use. Electrical cords and extension cords which are worn or frayed, have cut or pinched insulation, or exposed conductors, or which have three-pronged plugs with removed or faulty ground prongs, shall not be used. All electrical equipment and cords shall be inspected by qualified person prior to use, and shall be re-inspected periodically. Damaged or otherwise unsafe electrical equipment shall be tagged and removed from service to be repaired or discarded. Temporary power for lighting and powering displays and accessories shall be supplied as follows:

- Power will be supplied to corridors and scene rooms by means of “spines” made up of ISO grounded extension cords with molded plugs and fused outlet strips with three-prong grounded receptacles. The spines shall be connected to existing building electrical panels. Care shall be taken to distribute the load to several building circuits.
- The spines shall be routed along the top of the eight-foot high House partitions and shall be secured by non-conductive means.

- Connections to a spine outlet or outlet strip may be by means of the electrical devices cord or by an extension cord (2 or 3 wire, as appropriate).

The electrical system and lighting shall be designed in such a way so as to minimize the device-to-spine distance (preferably less than 6 feet).

- At no time shall any 120 VAC or greater electrical cord be run behind or under any rugs, fabric, decorations or other highly combustible materials in such a manner that the cord may be damaged, pinched, or abraded by contact with persons or objects.

Combustible Materials

Combustible waste materials shall not be allowed to accumulate in the building. During construction and operation, trash shall be removed and placed in the dumpster daily. As feasible, combustible scenery, props, and decorations shall be appropriately treated with fire retardant materials and maintained out-of-reach of visitors as they pass through the House. Combustibility shall be a consideration of the selection of props and decorating materials. All wall partitions, wood, and fabric shall be treated with an appropriate fire retardant. All foam sculptures shall be either treated or covered with a non-flammable seal coat (i.e., hydrocal).

Smoking

Smoking shall be prohibited inside the House at all times. All visitors will be prohibited from bringing smoking paraphernalia into the building.

MSDS

Material Safety Data Sheets will be kept in the Manager's Office.

FIRE EMERGENCY PLAN:

In the event of a fire:

- Staff members discovering a fire or smoke shall immediately activate the nearest alarm pull box or notify Safety/Security Staff.
- Upon sound of the fire alarm, or as instructed by the House Manager, the Lighting & Sound techs shall turn on the house lights, turn off scene and lighting power, turn off music and sound effects, and make announcements over the public address system as instructed.
- All Staff and Visitors shall evacuate the building via primary exit for their location.
- If the primary exit is blocked or unsafe, proceed to the nearest alternate exit.
- If smoke makes it difficult to breathe or see, get on your hands and knees and crawl to the nearest exit.
- Once out of the building, proceed to the nearest designated assembly area (whichever exit you go out of) and await further instructions.
- Staff and Visitor shall not re-enter the building until the “all clear” is given by the FD.

Accountability Procedure

If possible to do so safely, the House Manager or Safety/Security Staff shall retrieve the cast assignment board shall be taken to each assembly area and used to account for each staff member present in the building. The House Manager shall inform the FD of any Staff or Visitors not accounted for.

R.A.C.E.

The “RACE” method of fire response shall be followed in this order:

RESCUE

Rescue those in immediate danger.

ALARM

Notify others by word of mouth or by activating pull box.

CONFINE

If the fire is in an enclosed office or room, confine it by closing doors upon exiting.

EXTINGUISH

—Attempt to extinguish the fire only if it is safe to do so.

—Use the portable fire extinguishers only if you have been trained in their use.

—Extinguishers are located near the exits. This permits you to proceed towards the exit, and return with an extinguisher when it is safe to do so.

—**ALWAYS** keep a clear path to the exit behind you.

—**NEVER** allow the fire to come between you and the exit.

P.A.S.S.

P.A.S.S. is an acronym for remembering the procedure for using a portable fire extinguisher.

P= pull the pin and completely remove it from the extinguisher handle.

A=aim the extinguisher nozzle towards the base of the flame.

S=squeeze the handle to discharge extinguisher material.

S=sweep the spray of extinguisher material back and forth across the base of the flames.

WEATHER EMERGENCY PLAN:

In the event of a tornado warning, or if a tornado is sighted:

—The House Manager shall order an evacuation to the designated places of refuge.

—All building occupants shall remain in the designated place of refuge until the “all clear” is given by the House Manager.

MEDICAL EMERGENCY PLAN:

In the event of a medical emergency:

—Staff discovering a medical emergency shall immediately notify the House Manager or Safety/Security Staff.

—House Manager shall instruct the Police Officer or Box Office Manager to call for assistance.

—Persons unconscious or seriously injured should not be removed or repositioned.

—Injured or ill persons who are ambulatory should be assisted to the front door to wait for outside assistance.

POWER FAILURE EMERGENCY PLAN:

In the event of a power failure:

—The emergency lighting system will activate in the event of a total power failure.

—The House Manager and Safety/Security Staff shall circulate through the House and ensure the visitors to be calm.

BOMB THREAT EMERGENCY PLAN:

In the event that a bomb threat is received:

—Any Staff member receiving a bomb threat shall immediately notify the House Manager. Staff members shall not exercise judgments regarding the validity of any such threat.

—Upon notification of a bomb threat, the House Manager shall instruct the Box Office Manager to inform the FD and PD, and immediately initiate an evacuation of the building.

—Clearance to reoccupy the building shall be obtained from the FD and/or PD only.

EAP TRAINING:

All Haunted House Staff shall be trained on the contents of this Emergency Action Plan. Prior to each performance, just before

admitting the public, the House Manager and Safety/Security Staff shall circulate through the House and ensure that staff is familiar with the means of egress from the particular location in which they are working. Each Staff member will receive a copy of the Emergency Action Plan and will have to sign a statement confirming that they personally received a copy of it.

RAYCLIFF MANOR SAFETY INSPECTION

We perform a safety inspection every night one-hour before we open, again halfway through the night (plus this gives the workers a little break), and one more one-hour after we close. The following listed items will be checked:

1. Floors clear of snags and trip hazards
2. Walls clear of snags and sharp objects
3. Fire extinguishers clearly marked
4. Wires and switches out of reach and hidden
5. AC outlets covered
6. All lighting and effects properly working
7. Exits clearly marked and visible
8. Flammable materials located off site
9. Exterior lights working
10. Condition of masks, costumes
11. Plug-in and turn on all fog machines and EFX lighting prior to opening
12. Turn-off and unplug all fog machines and EFX lighting before closing
13. Pick-up litter around the house
14. Take out all garbage
15. Check battery life on 2-way radios
16. Put juice in fog machines
17. Concession stand stocked
18. Coffee pot started prior to opening and off prior to closing
19. Check flashlights for operability
20. Fill gas tank on generator (if you use one or for back-up)
21. Main power off at end of night

22. Sound systems and effects working properly
23. Check for hot spots (**one-hour after closing**)
24. Lock and close all doors, windows

**WORKER'S RELEASE OF LIABILITY AND
DAMAGE WAIVER**

I _____ will participate in the Raycliff Manor haunted house during September 24th through November 1, 2004. My volunteer duties in this event consist of _____ (fill in if they are acting, running controls, ticket booth, etc.), monitoring guests for safety violations, and at times escorting guests to the appropriate exit. As an event volunteer, I understand that Management must be notified of all incidents relating to guest problems, equipment failure, and safety violations.

As an employee, I understand that my actions (both good and bad) are viewed by the public and directly affiliate me with Raycliff Manor, and the sponsors. I understand that if my actions are deemed inappropriate, my volunteer duties will be cancelled and that I will be removed from the event without warning.

I do not hold Eureka Screams!, LLC, The Carroll County Fairgrounds and/or affiliates of this event responsible for damage or loss of property, and/or injury or death to myself while participating in the Raycliff Manor Haunted House. I fully acknowledge the risks of participating in this event and hereby forfeit my right to penalty, lawsuit, and/or legal action against the stated parties.

I have read and understand the safety training and Emergency Action Plan (EAP) and Safety Inspection Manuals.

Signature _____ Date _____

Witness _____ Date _____

Management _____ Date _____



Announcing Your Haunt to the Masses!



Chapter Nine

Marketing!

Marketing is one of the most exciting aspects of operating a haunted attraction; next to actually operating and enjoying the fun of terrifying the patrons that is! When it comes to marketing, there are so many components involved that this will be the largest chapter of this book. I have broken this topic down into the various associated subjects so that I can address each one individually; the first of many being identifying your target audience.

Determining Your Target Audience

When you survey the many haunted attraction owners, you will find the target audiences for haunts can vary from location to location. One may tell you that their primary target audience is high school students, while another may tell you that college aged students is theirs. Because we live in a tourist town where the average age of the traveler is between 30 and 50, we found this to be the largest age group of patrons who attended our haunt. However; our second largest age group was from the colleges within an hour proximity to our location. By adjusting our marketing demographics or location we may find that the

college areas turn out to be a much better target audience in the future. This is just an example of why it's important to research the market and know your audience.

When we first set out to research the feasibility of opening a haunted attraction, we decided to conduct a survey. Because we are located in a tourist destination town, we were able to obtain email addresses of several thousand individuals who had indicated an interest in coming to Eureka Springs for vacation. We emailed a questionnaire survey to these individuals to see who would be interested in attending a haunted attraction in this area. We received an overwhelming positive response from the survey. In the survey we asked the individuals to indicate the age range they fell in as well, which helped us to identify the age group with the most positive response. Another survey we could have done would be to have gone to the colleges and conducted on site surveys. The surveys serve two purposes for us. One purpose the survey served is to obtain market demographics and the other is to start the buzz about the proposed upcoming haunted attraction.

There are many ways you can investigate the market to determine the feasibility of a haunt in your area. Besides conducting surveys, you can also talk to other non-profit organizations that may have operated haunts in the past in your area. Ask these individuals about the attendance they experienced. Find out the average number of patrons per night, how many nights they were open, the cost of attendance to their haunt, etc. The more information you can obtain, the better prepared you are to establish your budget, develop your business plan and request financing. You might also talk to a local family entertainment or fun center, such as the miniature golf / arcade locations and discuss your ideas with them. You'll find that successful business people typically enjoy helping other people in their efforts to be entrepreneurs as well. As you talk to people, be sure to maintain contact information on your computer or in an address book. You never know when a

question will arise that one of these people will be able to assist you with.

Press / Media – The Power of a Press Release!

A great form of advertising that will often cost you nothing is through the press and media. You'll find the press and media love to cover interesting holiday events and will be excited to know about your haunted attraction! Make sure to let them know. You can do so by sending out a press release. In your press release you'll want, of course, to cover the basics such as who, what, where and when, but you want to indicate to the press and media what is special about your event and why they should be excited about it. Your press release should pack a punch! You don't want it to be too long, or you risk the recipient not reading it or putting it off for later reading and never getting back to it. The following is the press release we used to entice the media and press. It worked! The phone started ringing and we were interviewed by numerous reporters, both on the phone and in person. We had feature articles in a variety of papers throughout Northwest Arkansas and we wound up being featured on the front page and in the center spread of the entertainment section of the largest newspapers throughout Arkansas!

Raycliff Manor Press Release:

We've been hard at work creating an atmosphere of complete terror! Eureka Screams!, LLC presents, Raycliff Manor Victorian Haunt. This haunted attraction will feature 22 rooms of mind-blowing, heart pounding scares. Enter this Victorian themed haunt, where a mad genius once discovered the secret of extracting the fears from his victims as trophies for his collection of terror. Now those fears are trapped inside, waiting for those who enter. This attraction is not recommended for children under the age of 13, pregnant women, individuals with weak hearts, or

wimps! This is a scary attraction with high shock factor, terrifying special effects, and illusions that are horrifyingly real! Raycliff Manor is being produced by Lee Ostergren and Kelly Allen, owners of Eureka Screams!, LLC and the TradeWinds in Eureka Springs.

10 % of profits from this event will benefit the Lane House organization. Raycliff Manor will be located at the Carroll County Fairgrounds (Scaregrounds) at 104 CR 401, Berryville, AR and is scheduled to open its doors on Friday, September 24th at 7:00 pm. For more information go to www.eurekascreams.com or call the Raycliff Manor information line at (479) 253-7887.

Now you're probably wondering, "How do I obtain the contact information for all the press and media?" My first suggestion is to contact your local Chamber of Commerce. The chamber is in business to help businesses in the community and they are very much in touch with the media and the press. Ask them to provide you with a comprehensive list of contact information. We obtained email contact information for the media and press from our local chamber and we sent out our press release via email. You may be required to become a member of your local chamber in order to obtain the information, but it's worth every penny. We could never have afforded the amount of free advertising we received as a result of the press release. Of course, if you have the time, with a little digging and research, you can seek out the contact information on your own.

If you happen to be in a tourist destination area, you may also check to see if your city has an Advertising & Promotion Commission. If so, they will be excited about your business venture that will provide an additional draw to the city and they'll be more than happy to help you in promoting your haunt. You may even qualify to have them assist you with the financing of your advertising! If you call your local city

administration offices, they can tell you if there is such a commission in your area.

Radio Advertising

Although one of the more expensive forms of advertising, radio can be a great way to get the message about your haunt out to thousands, and in some cases, tens of thousands of listeners. Once you have analyzed the market demographics in your area and have established your target audience, you will want to determine the target audience of the radio stations in your surrounding area. When you contact the radio stations, request them to provide you with a media kit. This kit should include their radio frequency, their average number of listeners, the cities or areas they are broadcast and the specific demographic information of their audience. By comparing this information to your target demographics, you will be able to assess which stations are best suited to meet your marketing and advertising goals.

We found that the most expensive radio stations to advertise with were not necessarily the best. When trying to determine which stations we wanted to approach to obtain advertising costs, we conducted a local survey of everyone we talked to in order to obtain feedback on which radio stations people were listening to, which stations their children were listening to, etc. We even solicited a few college students to help us get an idea of which stations most of their college friends were listening. We wound up advertising with three radio stations so we could have a broad coverage of areas in several directions. One of the stations we advertised with, turned out to produce the greatest return on investment, and it wasn't the most expensive! This station happened to be one that most of the college students were listening to and it was an independently owned radio station. Studying your market and doing your homework can really save you a great deal of money. In the "Ticket Giveaways" section of this chapter, I'll discuss the idea of

giving away tickets to your haunt through various sources, including radio.

Your radio advertisement is going to need to grab the attention of the listening audience in order to get your haunted attraction known. You'll want to be distinctly different from the other advertisements so it stands out and causes the listeners to take notice. Often times, paying advertisers will just have the local radio station develop their ad for them. Many times it will be read by the DJ, who is also playing other ads recorded by him or her in the same voice. What usually happens when these types of ads are played is the radio station gets changed. We have become a society that demands immediate gratification and we change radio stations almost as frequently and sometimes more than we change the channels on the television. Unless your advertisement comes across as something uniquely different, you may be wasting your money.

When we were negotiating with radio stations on radio spot advertising costs, we were fortunate to come across Doug Higley of Lion Point Studios on an online haunt forum, Hauntworld.com. Doug shared with us some of the radio advertisements he had created for past clients and, upon listening to his samples, we were sold. Doug not only created the radio spots for the advertisement of our haunt, but he also created a CD we used, and will continue to use, for our queue line entertainment. The CD presents the haunted house rules to the guests in a fashion that is dementedly entertaining. Doug also recorded our information phone line message. By using the radio spots created for us by Doug, our commercials caused people to listen and take notice of the event we were putting on. One radio station was so excited about the radio spot they charged us for a :30 second spot, but played the :60 second spot. Due to the professionalism and quality of advertisement created by Doug, we also had a major soft drink manufacturer contact the radio station and ask if they could combine their soft drink advertising with the advertising of our haunt and

give away a 6-pack of their soda with every pair of haunt tickets that were given away. This resulted in an additional 200 free radio spots for us! You can find Doug's company, Lionpoint Studios, listed in the Resources chapter at the end of this book.

Once you have decided which radio station or stations you wish to advertise with and you have your radio spots ready, you will need to establish an agreement with them, based on the number of times you want your ad to run and when you want it to run. This can be tricky if you are not careful to specify when exactly you want to have your advertisements aired. This is also another situation where you want to be sure you get all the details of your contract spelled out in writing. If you buy a specified number of radio spots and agree to pay to have them aired without specifying the days and times you wish them played, you may find that your spots are being run late in the evening after most people have already arrived home from work, and/or early in the morning before most people are commuting to work. What you want to do, ideally, is to negotiate a price for your advertisement and have it run at "peak" times of the day. The radio stations should be able to provide you with reports showing you the days and hours in which the largest numbers of listeners are tuned in. This is valuable information. Especially when it comes to getting the most bang for your buck.

A serious consideration for your radio advertisement is the length of the spots and the number of times you will run the spots. Typically, you'll want to run :30 second or :60 second spots. Paying a great deal of money to a higher priced radio station and only running a few spots will prove to be an ineffective use of your advertising dollar. A good rule of thumb with advertising is "repetition pays". You will get greater results by running an ad numerous times on the second rated radio station than you will by advertising on the top station fewer times. As I've already mentioned, many people change

radio stations like they change television channels. The radio station owners and managers know this and this can be used to your benefit!

When we approached radio stations to obtain advertising costs, we reminded them that our radio spot would be a definite attention getter. When people are channel surfing and they catch the middle or end of our ad, they will be inclined to “stay tuned” so that they can catch the information again later. Often, people are listening in their cars during their commute and may not have the time to take note of the information line number or the web site. Again, they’ll keep tuning in to catch it. Because this station is already targeting the same audience we are, they know the listeners will get excited about the attraction and tell their friends, who will in turn tune in and listen to the radio station. This helps the station in their efforts to win over listeners from the other, possibly more popular, radio stations. Do you see where I’m going with this? You are doing them a service by advertising with them! Give them the *opportunity* to bid for this service!

Other items we pointed out to the radio stations we approached was the fact that we had signed an agreement with McDonalds to have our coupons distributed at twenty-three retail locations. If they could provide us with a cost that was within our advertising budget, we would thank them by including their radio stations logo as a sponsor on the thousands of coupons that would be distributed, again, driving listeners to their station! We also informed them that their logo would be added to our web site as a “hot link” directly to their radio station, and their logo would appear on the posters which we displayed at hundreds of retail locations, and on every ticket. Basically, we would be doing a ton of advertising for them! The following 2 pages is a copy of the contract for one of the radio stations we advertised with. This will give you an idea of how we specifically indicated the dates and hours our advertisement would be broadcast.

**Eureka Screams!, LLC
141 West Van Buren
Eureka Springs, AR 72632
479-253-9774
info@eurekascreams.com
www.eurekascreams.com**

August 13, 2004

**Butler Broadcasting
Fayetteville, AR 72703
Attn: Bill Christensen**

**Bill, Per our agreement, the following is the radio-
advertising schedule:**

90 - :60 Second Radio Spot Dates and Times:

**Thu, Fri, and Sat – Sept. 9,10 and 11 – 6a – 7p
(3 spots per day)
Thu, Fri, and Sat – Sept. 16,17 and 18 – 6a – 7p
(3 spots per day)
Thu, Fri, and Sat – Sept. 23, 24, and 25 – 6a – 7p
(4 spots per day)
Thu, Fri, and Sat – Sept. 30, Oct. 1 and 2 – 6a – 7p
(4 spots per day)
Thu, Fri, and Sat – Oct. 7, 8 and 9 – 6a – 7p
(4 spots per day)
Thu, Fri, and Sat – Oct. 14, 15, and 16 – 6a – 7p
(4 spots per day)
Thu, Fri, and Sat – Oct. 21, 22, and 23 – 6a – 7p
(4 spots per day)
Thu, Fri, and Sat – Oct. 28, 29, and 30 – 6a – 7p
(4 spots per day)**

**More specifically, the spots will be played as follows:
Morning Spot – between 6am and 9am
Noon Spot – between 12 noon and 1pm
Evening Spot – between 5pm and 7pm**

As per our previous conversation and agreement, you will benefit from our business partnership by the following:

- * Recognition as a cool and hip station with cool and interesting prizes!**
- * Listeners listening all day and waiting to hear the special "song of the day" to call in and win, (i.e. Monster Mash), which results in more tuned in listeners hearing your clients' radio advertisements.**
- * Tickets to distribute (9 pairs of tickets per week for on air giveaways and 10 pair for you and your staff. Ticket giveaways schedule to correspond with advertising dates.)**
- * Branding and name recognition of your radio station and print company on our posters, flyers, and tickets.**
- * Opportunity to have your station conduct live broadcasts on location.**

We are enclosing 82 pair of tickets, 72 pair for the on air ticket giveaways and 10 pair for you and your staff. Please also confirm the verbiage to be used for the Grand Prize giveaway of a 2 night stay at the TradeWinds. Let us know if you have any questions.

Sincerely,

Lee and Kelly

**Lee Ostergren and Kelly Allen
Eureka Screams!, LLC**

Ticket Giveaways

There is a lot of controversy surrounding the idea of using ticket giveaways to promote your event. My philosophy has always been that you have to give to get. I know some haunters try to strictly limit the number of free tickets they give away. As the popularity of our haunt increases, we may reduce the number of free tickets we distribute dramatically, but I can only speak from the experience of establishing a new haunted attraction to a new area. In our experience, we found the liberal giveaway of tickets to our haunt to have a great deal of impact on the attendance and success of our attraction.

As you can see from the radio advertisement contract agreement above, we utilized on air ticket giveaways to dramatically increase the actual air time we received. We also took this opportunity to kill two birds with one stone by advertising an inn we own at the same time as advertising the haunt. If you own another business, you may take this route as well. The radio stations we partnered with held Halloween related contests in order to give away the free haunt tickets. I went so far as to provide the radio stations with a number of Halloween and horror movie trivia questions and answers, which I easily obtained over the Internet. I also provided the stations with horror movie sound bites I obtained on the Internet as well. These trivia questions were used by the stations for their radio contests. Whenever tickets were given away in these contests, we had the DJ's announce that "The winners were also entered into a grand prize drawing for a weekend getaway in a themed Jacuzzi suite at the TradeWinds in beautiful, historic Eureka Springs." If you do not have another business to advertise, you might get another local business to offer a grand prize giveaway item. They may be willing to share the advertising cost with you for the opportunity to be associated with your event. You could also offer to print their business name and logo on your coupons, posters, tickets and web site.

The following is an excerpt from a letter we initially sent to radio stations in order to gain their interest in our attraction and some leverage in negotiating the cost of advertising:

“Please allow me to introduce myself. My name is Kelly Allen. My team and I will be opening a haunted attraction here in Eureka Springs, Arkansas on September 24th. The name of the haunted attraction will be Raycliff Manor Victorian Haunt. Raycliff Manor will be the most terrifyingly awesome haunted house in the area! We are working on scripts for radio commercials at the present time and our web site, www.eurekascreams.com, is in current development. Would your station be interested in sponsoring part or all of the radio air time listed below for the haunted attraction in exchange for tickets, which can be used for on air contests / giveaways? I would also be interested in having our business, the TradeWinds, www.eurekatradewinds.com, contribute a weekend getaway in one of our themed rooms, in conjunction with tickets to Raycliff Manor, as a grand prize for the contest.

What do you gain from this partnership?

- * Recognition as a cool and hip station with cool and interesting prizes!**
- * Listeners listening all day and waiting to hear the special "song of the day" to call in and win, (i.e. Monster Mash), which results in more tuned in listeners hearing your clients' radio advertisements.**
- * Tickets to distribute (21 pairs of tickets per week for on air giveaway and 20 pair to give to your clients as an appreciation of their business).**
- * Branding and name recognition on our posters, flyers, and tickets.**
- * Opportunity to have your station conduct live broadcasts on location.**

What do we hope to gain from this partnership?

*** On air mention in radio contests beginning September 10th and running through Halloween.**

*** 60 :30 second recorded promotional spots (we provide the recording to you) per day starting September 10th and running through Halloween between 6am - 10pm**

*** On air give away of 21 pairs of tickets per week (3 pair per day, 7 days a week), promoting our business.**

Please let me know if you are interested, I look forward to your reply and to discussing further how this partnership can benefit us both,

Sincerely,

Kelly Allen”

Sponsorships

As I've stated before in this book, I am primarily addressing issues related to a for-profit haunt business venture. As you've probably already realized, much of this book can be applied to for-profit and non-profit haunted attraction ventures. I'd like to clarify that, although sponsorships can be obtained for a for-profit business venture, it is much easier to secure sponsorships as a non-profit business than it is as a for-profit. It does help to commit at least 10% of your profits to a charitable organization, if you have it in your budget to afford to do so. Sponsorships can be anything from asking a local electronics retail outlet to provide you with strobe lights, to asking a local pizza delivery company to distribute your coupons with each of their deliveries. You will almost always find that you need to give something in order to receive something back.

When we decided that we wanted to associate ourselves with a large and highly recognized business, we began researching the various companies in our area. We knew having our business associated with another well known and prominent business would help us to more quickly “brand” our name as well. We found that a large number of the McDonald’s franchises in the Northwest Arkansas region were all owned by one person, so we decided to target this individual as a potential sponsor. What we decided we wanted from the McDonald’s location was to have them distribute our coupons at the counters/registers of each of their stores. We felt, of course, that the McDonald’s locations had much more to gain from a partnership with us than we stood to gain from their assistance with coupon distribution. We let them know this in our partnership proposal. The following is a copy of sponsorship request letter we sent:

Eureka Screams!, LLC
141 West Van Buren
Eureka Springs, AR 72632
Office: (479) 253-9774 info@eurekatradewinds.com
Info Line: (479) 253-7887 www.eurekatradewinds.com

McDonald’s
Attn: XXXXXX

XXXX,

Please allow me to introduce myself. My name is Kelly Allen. My team and I will be opening a haunted attraction here in Carroll County, Arkansas on September 24th. The name of the haunted attraction is Raycliff Manor Victorian Haunt. Raycliff Manor will be the most terrifyingly awesome haunted house attraction in the area! We are currently pursuing partnerships from local McDonald’s to display our posters and distribute our coupons. Please let

me know what I need to do to gain the support of your store locations. As a business seeking to give back to our community, we will be contributing 10% of the net profits from our event to the Lane House in Eureka Springs, a non-profit arts-based organization dedicated to children ages 8 to 18, www.lanehouse.org. Your support will help us in this endeavor.

What do your local stores gain from this partnership?

- * Recognition as a cool and hip company with involvement in cool community events.**
- * Branding and name recognition on our posters, flyers, and tickets, which will be distributed in the North West Arkansas, South- West Missouri and North East Oklahoma areas.**
- * Tickets to distribute (5 pair for each location) to your key employees as an appreciation of their dedication and hard work).**
- * Radio spots can mention that the haunted attraction coupons are available at your stores, resulting in greater sales.**
- * We will also be seeking sponsorships from local radio stations and offering on air give-away of a total of 27 pair of tickets per week (9 pair per day, 3 days a week), promoting our business and, again, indicating that coupons are available at your McDonald's store locations.**

What do we hope to gain from this partnership?

- * Distribution of our coupons at your location.**
- * Our poster displayed in your store window.**
- * Association with well-established local business sponsors and name recognition.**

Please let me know if you are interested, I look forward to your reply and to discussing further how this partnership can benefit us both,

Sincerely,

Kelly Allen

The result of this letter was ultimately a great relationship with the owner of the numerous McDonald's locations. Not only this, but we were ultimately able to establish excellent relationships with the Managers of a number of the stores as well. As locations would run out of coupons, they'd call us to request that we bring them more. They loved the fact their sales were increasing as a result of our radio advertisements directing people to their stores.

Web Site

One of the most powerful advertising tools we used was our web site. Without a web site these days, you just aren't taken very seriously as a business. You will be directing people to your web site through your coupons, posters, tickets, press releases and other forms of print media and, of course through your radio advertisements. There are many web designers available to be found and, if you can't find a reputable web designer in your area, just search the Internet. The beauty of the Internet and web design is that you can have someone on the other side of the country, or the world for that matter, design a site for you. Your web site is not a place to be cheap with your marketing and advertising investment dollars. In most cases, this is the first visual representation your prospective patrons will have of your haunt. As is the case with any vendor you work with, you will want to make sure you obtain references before contracting a web designer.

There are a number of important factors you will want to consider when developing a web site for your haunt. Of course, you'll want to start with the basics. Your web site is a sales and marketing tool and should be laid out as such. This is also an area where you can let your creative juices flow and have fun! You'll want to have your site indicate the theme of your haunt, Victorian ghost, asylum, aliens, etc. through the use of your artwork and logo. A good web site developer, or a graphic artist familiar with web media, can help you with this. You'll want provide the details of where and when the haunt will be taking place and the cost of admission. You can provide an interactive map to your haunt using Yahoo Maps or Mapquest.com. It is a good idea to spell out the hours of operation in detail. If you will operate different hours on different nights, be sure to indicate this on the site. If you have an information line phone number, be sure to include this on the site as well. I discuss the information line in more detail in the next section. If you plan to make coupons available, having them online is a great option. This way the printing is done by the customer at no cost to you. It also encourages your web site viewers to share your web site address, often through email, with others so that they can access the coupon too.

Once you have your web site up and running, run a search on Google, or any other search engine, for "free web site search engine submission". You'll be amazed how many sites there are that will allow you to submit your site to the web crawlers and other Internet tools that increase your presence and rating on the search engines, all for free! This will greatly improve your placement in results for searches conducted on the Internet, especially for a haunted attraction in your area.

As you put seasons of operation under your belt, you may want to include pictures of past years on your site as well. Some schools of thought have been that, "If I show them pictures of the inside of my haunt, they won't be surprised by the scenes when they actually attend." In my opinion, showing people

teasers through pictures of some of your scenes, gives the individual an opportunity to see the quality of your haunt and it reassures them that this is not just another “garage haunt” with black plastic and bowls of spaghetti. By the time they get inside your haunt, they won’t know when a scene they’ve viewed on your web site is coming and they’ll probably be so scared they will have forgotten anyway. I’m sure the debate will go on, but my recommendation is add the photos to your site. If you’re changing some of your scenes from year to year, only show the ones that will not be used again and you can eliminate this concern altogether.

When you choose your domain, I recommend that you purchase the domain through a service other than through your Internet service provider (ISP), unless your ISP will allow you to use just the domain name in your web address. What I mean by this is you don’t want to have a domain that looks like, www.yahogroups10245/eurekascreeams.com or something to that effect. Having an actual domain such as www.eurekascreeams.com has a much more professional impact and represents your company as a serious business. This will work to your advantage with the sponsors you seek as well as with the public. When your web site address is announced on the radio, it will be much easier for the listener to take a mental note and look you up at their convenience. If a passerby sees one of your posters in a local retailer’s window, they too can quickly view and remember your web site address.

Although graphics and fancy flash video are great for awesome looking web sites, you may want to think about the area you are marketing when considering this option. Do most of the people in your target demographic area have dial up for their Internet connection? If the answer to this question is yes, you may want to ask your web designer to provide a flash and non-flash entry to your web site. Otherwise, those with dial up connections will tire of waiting for all the cool graphics and flash animations to load and give up. This could be an easy

way to lose an otherwise enthusiastic customer who may have shared the information with all of his/her friends and who would have shown up with a large group of paying customers.

There are many great sites dedicated to the haunt industry. Most of these will gladly perform what is known as a “link exchange” with you. This is where the webmaster of the site adds your link or banner to their site in exchange for you including a link or banner to theirs on your site. This is another way to get a lot of free online advertising. In the “Resource” section of this book, I have included a number of web sites. When you are viewing any of these sites, take a look to see if they offer this. You’ll usually see a link that says “add your site here” or something similar to this. The webmaster of the site will usually provide the code required for you to add their banner to your site and you can just forward this on to your web designer and they’ll know what to do. If you aren’t sure how to address this, you can just send your web designer a link to the page on the web site with the information. Trust me; they’ll be able to do this task quite simply and relatively effortlessly. Be sure to add your site to the top Haunt Sites such as HauntWorld.com and HauntedHouse.com.

Information Line

The information line, or info phone number, is another crucial aspect of marketing and advertising. Although many will go to your site and probably never call the number, having a real live phone number is another indication that you are a real and professional business. Like your web site, the information line should contain important information about your haunt such as the location, dates and times, cost of admission, where to obtain coupons if available, and directions. You may decide, as we did, to only provide the information at this number, but not use it as a “live” contact number. When we contacted the press and media, we provided them with an alternate office number where we could be reached for phone interviews, to set up an

in person interview, etc. Our info line was set up much like that of the phone numbers you call to hear the recorded information at a movie house or theatre. This way you can record a message with all of the important information and avoid having to answer the same questions over and over again.

As I've mentioned previously in the "Radio Advertising" section, we ultimately hired a professional, Doug Higley, to provide us with a quality sounding digitally recorded message for our information line. Doug is the same person who recorded the radio advertisements for us. Your recording should be thorough and highly professional sounding. As I've mentioned before, Doug's recordings are amazing and surprisingly affordable. If, however, you find that you cannot afford to allocate part of your budget to a professionally recorded message, and you or someone you know does a great job of recording in a well articulated and creepy voice, you may decide to record your own message for the info line. The following is the script of the message we were going to use to record our own message before we discovered Doug Higley's amazing talent. Viewing this should help to give you an idea of the general format and hopefully get your creative energies flowing for the creation of your message.

Info Line Script: Thanks for calling the Eureka Screams! information line. We've been hard at work creating an atmosphere of complete terror! Eureka Screams! presents, Raycliff Manor Victorian Haunt. This haunted attraction will feature 22 rooms of mind-blowing, heart pounding scares. Enter this Victorian themed haunt, where a mad genius once discovered the secret of extracting the fears from his victims as trophies for his collection of terror. Now those fears are trapped inside, waiting for those who enter. This attraction is not recommended for children under the age of 13, pregnant women, individuals with weak hearts, or wimps! This is a scary attraction with high shock factor,

terrifying special effects, and illusions that are horrifyingly real!

The doors creak open on September 24th and slam shut at midnight, all hallows eve! The haunt dates and times are 7:00 pm to midnight Friday and Saturday, September 24th, 25th and October 1st and 2nd and 7:00 pm to midnight Thursdays, Fridays and Saturdays through the rest of October...and of course on All Hallows Eve! Tickets to the Raycliff Manor Haunt are \$11.00 per person or \$9.00 with a coupon available both online and at local participating McDonald's locations. To visit our web site, go to www.eurekascreams.com.

Raycliff Manor is located at the Carroll County Scaregrounds in Berryville. From Eureka Springs take 62 East to Freeman and turn left to the first light and turn left to the Fairgrounds at the 21 & 221 North junction. The Fairgrounds will be on your left.

From Harrison take 62 West to 21 north and follow 21 North to the fairgrounds at the 21 & 221 North junction. The Fairgrounds will be on your left.

We look forward to your visit...

Coupons / Posters / Tickets

Coupons:



There are many theories on the best use of coupons and this is another area that I learned a great deal the hard way. As in the rest of this book, my hope here is to save you from making the mistakes I made and to provide you with tips that will help you to generate greater earnings in your endeavor. After all, this is a business and the point of any business is to make money. Of course, for haunt enthusiasts like us, who share a passion for the genre, having an awesome time doing what we love is the primary reason for being in the industry. Making money is just an additional benefit.

When we decided we were going to offer coupons as an additional form of advertising and incentive to bring in the crowds, we oversimplified our approach. We decided to offer the coupons through our web site, on the radio, and at the local participating McDonald's, and allow the coupons to be

redeemed any of the nights the haunt was open for business. In retrospect, we should have researched what others were doing. We have since learned that the best use of coupons is for the purpose of drawing in crowds early in the season and on week nights as opposed to evenings of the weekend. Because we are tree huggers and desired to save on paper usage, we made each printed coupon good for up to six people. We found that on weekends there were a number of people in line for the haunt that didn't take the time to stop for coupons; however, others in line would share their coupons with those not holding them. Of course, as I mentioned earlier, the purpose of putting the coupons on our web site was to encourage individuals to share the web site with others. For this reason the coupons available online were good for one person per coupon.

Next year our plan regarding coupons is going to be a bit different. We are planning to have our coupons good for specified nights only. This will be operational nights early in the season and weeknights throughout the season. This will help us to encourage traffic to the haunt on Thursday nights and during the last week of September and the first week of October. We are anticipating that many of these people will ultimately come back to the haunt with friends closer to Halloween and they will all be paying full price then.

Posters:

Eureka Screams!
presents...

Raycliff Manor

VICTORIAN HAUNT

Welcome to Raycliff Manor, a catacomb of nightmares, a macabre maze of horror. Enter freely and of your own will. This may be your last contact with reality; you have now entered the world of spirits. Inside the manor a mad genius once discovered the secret of extracting fear from his victims as trophies for his collection of terror. Now those fears are trapped inside, waiting for those who are brave enough to enter. No amount of screaming can wake you and your nervous laughter can't protect you. In one of these rooms your worst nightmare has come to life and is waiting to confront you. It beckons you into the darkness. ...do you dare?

Ticket Price
\$11.00 (\$9.00 with coupon)
10% of ticket sales profits to benefit the Lane House
Tickets can be purchased at the scaregrounds ticket booth.
Hours of Operation: 7 p.m. - Midnight

Directions To Raycliff Manor Victorian Haunt
At the Carroll County Scaregrounds
104 CR 401 Berryville, AR 72616

From Eureka Springs take 62 East to Freeman and turn left to the first light and turn left to the Fairgrounds at the 21 & 221 North junction. The Fairgrounds will be on your left.

From Harrison take 62 West to 21 North and follow 21 North to the fairgrounds at the 21 & 221 North junction. The Fairgrounds will be on your left.

www.eurekascreams.com
Contact the dead: info@eurekascreams.com

September

SUN	MON	TUES	WED	THURS	FRI	SAT
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

October

SUN	MON	TUES	WED	THURS	FRI	SAT
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

479-253-7887
Call to hear recorded information about Raycliff Manor Victorian Haunt

Not recommended for children under the age of 13, pregnant women, individuals with weak hearts, or wimps! This is a scary attraction with high shock factor, terrifying special effects, and illusions that are horrifyingly real!

We hired a local printing company to design and produce our posters. We received quotes from numerous companies, including print companies we found over the Internet and we were happy to find that the best deal we could find was right in our own community. Whenever possible it's nice to support the business people in your own local community. Because we were willing to put the company's business name and logo on the posters, tickets and coupons, which they were printing for us, they were willing to give us a great deal.

The tricky part about producing an effective poster is to get all the information you want conveyed into the design and format of the poster, without having something that looks cluttered and difficult to read from a distance. The key information you want on the poster is the same as your web site and information line. You need to inform the reader as to what the event is, where it will take place, the dates and times, the cost, and of course you want to include your information line phone number and your web site address.

I recommend that once you have designed the poster in a rough draft format, or once your printing company has prepared a proof for you, you hang it in a window and stand back to view it. See how easy or difficult it is to read. When you first look at it, can you tell it is a poster for a haunted attraction, or does it give you the feeling of something else? Is the picture clear or difficult to make out? Can you easily identify the phone number and web site address? Don't be afraid to solicit the feedback of others. The same goes for your web site. When you are in business for yourself, criticism can be your best friend, especially if it's constructive. Once the posters are printed, there's no going back.

We found the best way to gain approval for displaying our posters was going from business to business with the posters in hand so they could see the quality of the design. Seeing other large and local business "sponsor" logos on the posters also

positively affected the decision of business owners to approve. We would even offer any of the businesses who were willing to display the posters the “opportunity” to distribute our coupons as well. If they desired to do so, we would give them “permission” to include in their advertising efforts the fact that our haunt coupons were available at their business location. Do you see how this works? It really is a win-win situation for everyone!

Tickets:



There are several options available when it comes to tickets. Some haunt owners decide to sell their tickets in advance, not only through their ticket booth, but online through their web sites and/or through an online ticket sales service. Of course, when you use an online service to sell your tickets there are pros and cons. The benefit of online ticket sales is that the buyer is able to purchase tickets on impulse. Through the online ticket sales services, the purchaser can immediately print the ticket at their own printer. The individual with tickets in hand are far more likely to actually attend than the person who cannot purchase a ticket when the impulse strikes them and they get busy with life and forget to follow up on their impulse. Online ticket sales is an area that definitely capitalizes on our society’s growing need for immediate gratification. If you are thinking about this option, make sure to receive a clear explanation of costs that you will incur for the convenience of

this service. Some companies only charge you a percentage of the tickets you actually sell and perhaps a small setup fee. This helps to minimize your risk.

For our first year, we decided to keep it simple and we stuck to ticket sales at our ticket booth during the hours of operation only. We did, however, have all of our tickets pre-printed so that we had tickets to distribute to our radio advertisers for the on air contest giveaways and to disperse to our sponsors. This seemed to work really well for us, but we will never know how many additional tickets we could have sold had we chosen to provide the tickets for sale online. Next year we may experiment with this avenue to see how we do.

The ticket can be another excellent avenue for marketing and advertising opportunities for your business associates. For our first year, we chose to have tickets without tear off stubs. Next year we are planning to approach some of our sponsors and offer them the opportunity to share in our advertising costs in exchange for their logo being printed on the ticket stub which the patron of the haunt retains. On the back of the stub there can be a 10% value coupon or a coupon good for a free order of fries with a meal, etc. We had a number of people who requested to keep their ticket as a souvenir.

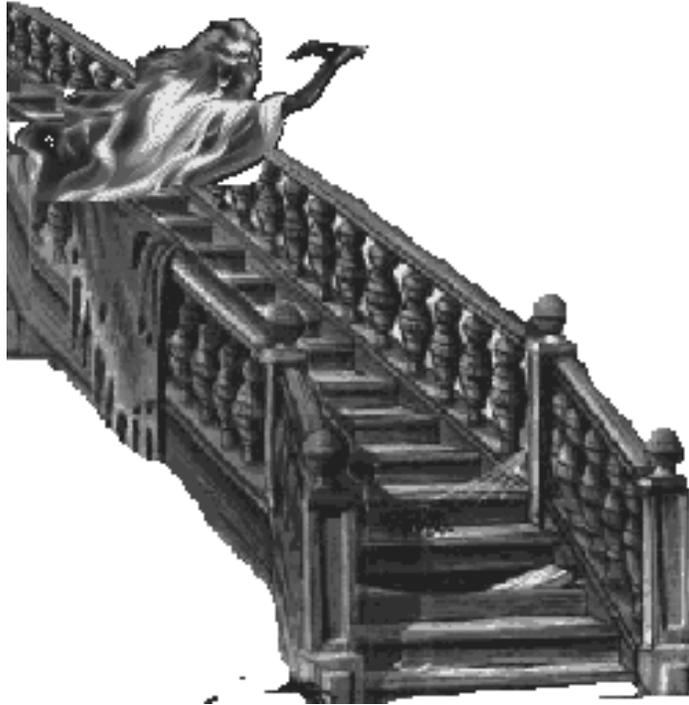
Publicity Stunts

Probably a close second to actually scaring the body fluids out of people, for the most fun aspect of operating a haunt is the publicity stunts! There are too many possibilities to mention here. They are as limitless as your imagination. We were fortunate in that we were able to locate a hearse with a trailer that held a huge headstone marquee to use for our publicity stunts. Our hearse made an appearance in two parades in town and we had creatures from our haunt walking along either side of the hearse passing out coupons to our haunt. People loved it!

We had individuals of all ages stretching out their hands to try to get a hold of coupons.

Another publicity stunt we pulled off quite well was at an outdoor theatre here in Eureka Springs. The movie is projected onto the side of a building here in town and people bring in their own chairs and sit outside enjoying a movie. We made a surprise appearance. We have a couple of stalkaround characters made by the Ex-Mortis company. When these costumes are worn, they are over eight feet tall with an eight foot wide arm span. We hid on the side of the building the movie is projected onto and waited for our moment. This particular night, the movie was Godzilla vs. Mothra. When we came out from the side of the building the audience went wild with applause, laughter and screams! We were able to distribute hundreds of coupons that night. We had notified the local paper of our publicity stunt intent and the photographer was in the audience with camera ready. We were featured in the paper with the name of our business, Eureka Screams!, in large bold print. You can't pay for advertising like this! We went to Fayetteville, a large nearby college town, when they were holding their Bikers, Blues and BBQ event, which draws thousands from all over in the surrounding areas, with our hearse, monsters and coupons. Again, we had the same results.

Whatever you decide to do along the line of publicity stunts, make sure you get word to the press and/or media. You'll be surprised how supportive they will be of your efforts. They don't often get news that is this positive and this exciting and they love to cover this type of event.



Accidents Do Happen!
Are You Covered?



Chapter Ten

Insurance

Haunt Insurance Quotes

Liability insurance for your haunt is something that you should, and in most cases must have. You may also want to consider medical insurance to cover any crew member who sustains an injury due to any series of possible accidents. I'll address Liability insurance first and will talk about medical coverage in the latter portion of this section. You'll need to check with your local officials and the owner of the space you are leasing to determine the type and amount of insurance you will be required to carry.

In order to help you with some of the basics of insurance coverage, I'm going to break down the different coverage components and explain them. Keep in mind that I am not an insurance agent and I don't claim to be an expert in this field. With that disclaimer out of the way, I'll do my best to help you to understand the basics so you can better comprehend the insurance quotes you obtain and make the best choice to suit your business needs. I've compiled the following explanations after a great deal of research on each of the components. I tried

to put together what I felt were the most comprehensible explanations of each. When receiving insurance quotes, don't hesitate to ask questions of your agent and have them explain your coverage to you as many times as it takes for you to fully understand your coverage.

Liability insurance is almost always required to be obtained by you for the operation of your haunt unless the property you will be leasing possesses insurance to cover your event. This is rare and will probably affect the cost of your lease significantly, since the owner of the property would, in this case, be assuming liability in the event of an accident, fire, etc. If the person you intend to lease space to you does offer to include insurance coverage, you may want to opt to obtain a lease quote without the coverage and compare the difference with the cost to provide your own insurance.

The first item usually listed on a liability insurance quote is the “**General Aggregate per Event**”. What this dollar amount represents is the total amount of liability coverage your insurer is providing you for the sum of all claims combined. If you have a general aggregate of one million dollars and two people sue you for one million dollars each and are awarded the damages they are seeking, you will be one million dollars under covered. The typical general aggregate of coverage requirement for a haunted attraction is one million dollars; however, I would recommend you obtain quotes for higher aggregate coverage and, if your budget permits, get as much coverage as you can. A little more of an investment in your peace of mind may also save you a lifetime of financial debt. A little later I'll be discussing medical coverage and I'll share a couple of personal testimonies regarding insurance.

The second item usually listed in your insurance quote will be “**Products & Completed Operations, Aggregate**”. This insures against claims for bodily injury and property damage arising from some defect in a completed project. For example,

this would cover claims brought by individual/s injured in a fire that was caused by improper installation of an electrical panel at a haunt, or against an injury due to a malfunction in a set or prop.

Usually, the third item listed on your liability quote is “**Personal Injury**”. This insurance protects against liability arising from specified types of offenses that do not cause bodily injury or property damage. The most important aspect of this coverage is insurance against liability arising from false arrest, detention or imprisonment. This coverage also protects against liability arising from libel and slander. The amount of coverage here, most often one million dollars, is the amount of liability coverage per person. For example, you may have one million dollars of coverage per person, with a total aggregate of five million dollars. In this case, your coverage would be able to handle five individuals being awarded one million dollars each or ten individuals being awarded five hundred thousand dollars each, etc. The personal and advertising injury limit applies not by offense, but *separately* to each person or organization that sustains damages because of a covered offense or offenses. However, regardless of the number of persons or organizations claiming damages from a covered offense, or regardless of the number of offenses claimed during the policy period, the insurer is obligated to pay no more than the general aggregate limit.

The next line item on your insurance is “**Each Occurrence**”. This can be a bit tricky to understand. What this item represents is the amount of coverage you will have per occurrence or incident. This places the limitation on the amount of insurance available to pay bodily injury, property damage and medical expense claims arising out of any one occurrence subject to the general aggregate limit.

“Damages to Premises Rented” Coverage for damage to premises rented to you is not provided by a specific coverage grant but rather by exceptions to certain exclusions.

The first exception provides coverage for property damage to premises, including the contents of the premises, rented to the named insured for 7 or fewer consecutive days *if* an insured is legally obligated to pay for such damage due to any cause *except* fire.

The second exception, formerly known as fire damage legal liability, provides coverage for damage only to the premises (not the contents of the premises) if an insured is legally obligated to pay for the property damage, but only if the damage is caused by fire. Any legal liability imposed on an insured must arise out of tort and not contract for either exception to apply. In other words, if an insured is held liable solely due to an agreement to be responsible for the property or for damage to the property, there is no coverage.

The coverage granted by the exceptions noted above is subject to the “Damage to Premises Rented to You” limit listed on the declarations. The limit applies to any one premise and is a sub-limit of the each occurrence limit. Therefore, any property damage paid under the “Damage to Premises Rented to You” limit will reduce the each occurrence limit for that same occurrence and will also reduce the general aggregate limit.

“Medical Payments” pays the medical expenses incurred by third parties injured on the premises regardless of whether or not the contractor would be legally liable for them. It also obligates the insurer to pay reasonable medical for bodily injury, caused by an accident, without regard to fault. Medical payments are subject to the medical expense limit listed on the declarations of your policy. The medical expense limit applies separately to each person, but is a sub-limit of the each occurrence limit and, as with the damage to premises rented to

you limit, payments made under medical payments will reduce the each occurrence limit for that same occurrence and will also reduce the general aggregate limit.

“**Fire Damage**” places a limitation on the amount of insurance available to pay for property damage to premises rented to the insured arising out of any fire, subject to the each occurrence limit as well as the general aggregate limit.

The “**Deductible**” is the last item to address. We are all quite familiar with this term and how it applies to our home and/or auto insurance. The deductible is the amount of money per claim that you will be responsible to pay, per occurrence/claim. Of course, the higher your deductible, the lower your insurance rate; however, you want to make sure that you don’t purchase a policy with a deductible that is higher than you will be able to afford to pay out of pocket. Keep in mind that, in the event that you have several separate incidents over the term of your event, you will be required to pay the deductible for each. This can become quite expensive.

The following is an example of an insurance quote I received when soliciting insurance for our haunted attraction. I’m including the format below in order to show you the format I use in organizing my insurance quotes and so that you can use this information to help you obtain and compare quotes for your insurance needs as well.

Gold Coast Insurance	General Aggregate per Event:	\$_____
Frank Parkhurst	Products & Completed Ops Agg	\$_____
Great Neck, NY	Personal Injury:	\$_____
Ph. 516-466-5302	Each Occurrence:	\$_____
Fax. 516-466-5361	Damage to Premises Rented:	\$_____
Email: goldcoastins@mail.com	Medical Payments:	\$_____
	Fire Damage:	\$_____

Cost: \$_____ **Deductible:** \$_____

If your liability insurance does not offer medical coverage for your crew in the event of an accident, you may want to

investigate the option of purchasing additional coverage for this purpose. When we purchased our liability policy, we opted to pay an additional \$850.00 so that we would have \$10,000.00 of medical insurance per person. This insurance was not required, but something we chose as a true concern for the well being of our crew. This is probably one of the wisest decisions I've made in a long time. As it turned out, we had an enthusiastic actor fall and split open his head and separate his shoulder on opening night. He required a number of staples in his head and surgery to repair his shoulder. Two weeks later, we had an individual attack one of our actors in the haunted attraction and this actor required surgery for a broken jaw. I know that these occurrences are freakish and not at all typical in haunts; however, they obviously can and do happen. As a haunted attraction owner, I would have felt terrible had I not taken the proactive measure of demonstrating a true concern for my crew in purchasing the medical insurance. Sure, we had liability insurance to fall back on, and liability waiver forms signed by each and every crew member, but if you aren't in business to take care of your people, you have no business being in business.



Scaring Up Your Fright Team!



Chapter Eleven

Recruiting Talent

Recruiting talent for your haunt is a task you will invest a great deal of time and energy into. The quality of your talent will dramatically impact the quality of your attraction. You can have the best and most expensive pneumatic and animatronics, the most sophisticated designed sets and props with an incredible amount of detail, the most expensive lighting and sound system, but if you don't have quality make-up artists and actors, you will most definitely flop. On the other hand, if you have decent sets, lighting and sound with absolutely incredible make-up artists and actors, you can achieve success. I'm not encouraging you to use mediocre sets, lighting and sound, but I am trying to help you understand where the priority should be in your needs assessment. When you can afford to invest in the best set designs available, definitely do so! This will help you to maintain your competitive edge and help guarantee continued success. However; always keep in mind that your make-up artists, security and actors are at the top of the list of your greatest operating assets!

When we initially decided to begin our recruiting efforts around the middle of summer, we posted a notice in the local

papers announcing we were seeking actors, make-up artists and security for an upcoming haunted attraction. Of course, this notice also served as our initial form of marketing and advertising to get the “buzz” started of the upcoming attraction. When interested individuals contacted us in response to the ad, we announced that we would be holding a “Fright Team” meeting in which we would provide the details of the haunted attraction, including the compensation structure. Anyone seriously interested in being involved in the attraction could attend this meeting to meet the owners and Director and learn more about the opportunity. The following is an ad we ran to begin our recruiting efforts.

Eureka Screams! TM Seeking Monsters and More!

We're seeking individuals to join our Fright Team for this Halloween season. We're looking for part-time people to help us scare the wits out of Northwest Arkansas in the Raycliff Manor Haunted House! We're looking for actors, security, make-up artists and individuals with strong construction and set building experience.

Actor Requirements:

No acting experience is necessary for some positions, while some acting roles will require experience. We're seeking individuals with a love

for Halloween and the haunt or horror genre. These positions requires a desire to do your best and excellent interpersonal and team playing skills. Acting in a haunted house can be both fun and rewarding. We look for actors that can show up on time, work weekends, and have transportation to and from work. If you've always wanted to dress up as your favorite monster, be someone else and run around scaring the daylights out of people and make money doing it, we have the position for you.

We supply several rewards, prizes and bonuses to our actors and in addition have several parties. Our season runs the last week in September and all of October.

Build Out Crew Requirements:

We need people to help us set up our attractions. This job will start the 4th week of September and runs through opening day September 24th. After we've installed the attraction, these people usually are also involved in other aspects of the haunt such as acting, security, etc. After the show is over, we also look for these people to help us

tear down the attraction. Technically, we have work for some people from September through early November. The typical hours for installation run 10 to 12 hours per day. People interested in these positions must be able to work long hours, lifting, loading, hauling, and screwing walls together, etc. We also look for people with electrical experience, carpentry and set design backgrounds.

Make Up Artists:

Experience is a requirement for this position. You must be able to work quickly and most importantly be a creative person! To apply for this position you will be required to show us a portfolio and a possible demonstration.

Crowd Control/Security:

Experience is also required for this position. You must have excellent people skills! We need people with confidence, great conflict resolution skills and the ability to address a disruption to the operation without resorting to violence. It is important that you are physically fit and perform a variety of tasks

including; helping open the attraction each night, clean up, monitor and tear tickets at the entrance of the haunted attraction.

If you're interested in any of our positions, please come by the Tradewinds at 141 West Van Buren, in Eureka Springs for an application and/or join us at our first Fright Team meeting to obtain all the details of the haunt and compensation. Thank you in advance for considering joining our team.

At our first Fright Team meeting, which took place at the TradeWinds pool area, we introduced ourselves, provided some background on each of the owners and the Director, and shared some of our goals and vision for the newly formed business. We also shared some of our marketing plans and announced the contracts we had signed with three surrounding area radio stations. We also shared the fact that we had signed a deal with the surrounding area McDonald's locations to distribute coupons for us. We had two of our largest props, some of our printed posters and other visuals on hand, in order to help people get a sense of the scale and professionalism we intended for the haunt. We also made available, to anyone expressing serious interest, a Eureka Screams!, LLC Fright Team Handbook, which we developed and had spiraled, bound at a local Kinko's. The following is the introduction we included in the beginning of our handbook:

“Welcome to the Eureka Screams!, LLC team! We appreciate your interest in joining us as a member of the Raycliff Manor Fright Team. We know that you will find this endeavor both exciting and rewarding. We appreciate

each and every one of you and we plan to demonstrate this by rewarding you with prizes, outings, cash bonuses, and most importantly...an awesome time and frightful fun!

We are assuming that you have joined the Eureka Screams! team because, like us, you have a passion for the genre and you enjoy scaring the pants off of people! With Joe Schmoe's direction and experience, we plan to operate one of the scariest and most professional haunts in the area!

As a member of the Eureka Screams! team, we ask that you maintain complete secrecy regarding the contents of Raycliff Manor. You will also be privy to the secrets of the illusions and special effects inside the haunted attraction. We ask that you not share these secrets, as you will spoil the mystique and mystery surrounding the haunt for our patrons.

Again, I want to reiterate that our first and foremost priority for the team members is that you have as much fun as a Fright Team member as the guests of the haunt have getting scared half to death in the haunt. Because safety of our team members and the patrons is also a top priority, we ask that you read through the following pages of information. We will ask you to sign a document stating that you have read and do understand this information. Prior to the opening of Raycliff Manor, we will also conduct safety training to go over this information again.

Lastly, did I say that we want to stress that everyone has fun? Let's all maintain a positive attitude, work together as an excellent team and create great memories!"

This handbook was mandatory reading for anyone selected to work with us in the haunted attraction. At the end of the book was a form that they were required to sign indicating they had read and completely understand the entire contents of the

handbook, as well as a Workers Release of Liability and Damage Waiver form that they were also required to sign. Of course, the number one question on the minds of the individuals attending your Fright Team or Boo Crew meeting will be, “What’s the compensation?” or “How much do we get paid?”

When considering the start of a haunt business, you will find that the topic of volunteers vs. paid crew members is a common dialogue. Some will tell you that it isn’t necessary to pay your actors and some will tell you that paying actors is a must. Unless you are a non-profit and the proceeds are going to be given to a reputable charity, it’s my opinion that asking actors to act for free is like asking anyone in any other profession to work for free. This may not be a popular opinion.

If you don’t have it in your start up budget to guarantee your crew members a minimum wage per hour, you can always do what we did. Before we set out to recruit volunteers, we decided it would be with the understanding that they will be given cash bonuses based on the attendance and success of the haunt. Because this was our first year, and we weren't sure what the attendance would be, we were able to minimize our financial risk by tying the Fright Team members' pay to the success of the attraction. This also gave the team members ownership in the business venture, the additional incentive to help spread the word about the haunt and it gave them incentive to provide exceptional performance.

We let everyone at the Fright Team meeting know that our goal was to pay at least minimum wage, \$5.15 per hour. We reinforced the idea that they were going to be taking risk along with us and there was no guarantee of the haunt’s success, and therefore, no guarantee of pay. If the attraction flopped, we would all lose together; however, if the haunt was a success, we would all share in the success of the business. Although, as the owners, we didn’t make any money for ourselves the first

year, we were able to pay our make-up artists, security and actors \$5.40 per hour. Since we told them our goal was to pay minimum wage but were able to pay them above minimum wage, they were all very happy. We were also able to cover the first year business loan payment, cost of the building lease, marketing and advertising, insurance etc. For our first year as a haunter, we considered this to be a great success!

At this first meeting, we also announced that for our last Fright Team Dinner of the season, we would be holding our 1st Annual Golden Ghouls Awards. We called the last dinner our Fright Team Appreciation Dinner. This dinner was for the entire crew, including security, make-up artists and actors. At the Fright Team Appreciation Dinner we announced the winners of three trophies from Ghost Ride Productions. The three award categories were Scariest, Most Dedicated, and Best Team Player. We also made it clear that the crew members would be paid at the Fright Team Appreciation Dinner, which took place at the end of the season. We decided to pay everyone at the end of the season as an incentive to have them participate throughout the entire haunt operation. We also posted everyone's accumulative hours each week, so they could see their hours building. This helps with the motivation to keep coming back as well. At each of the Fright Team dinners, we paid for dinner and non-alcoholic beverages for everyone.

Next year, we plan to run actual job ads and guarantee minimum wage, but also offer the added incentive of a certain percent of the profits. The core group of actors who proved to be dedicated and effective in the haunt this year will, of course, be offered a greater percentage than the less dedicated or new actors.

The following are several documents we used that may be helpful to you. They are, in order, Eureka Screams!TM Fright Team Reward System, Fright Team Appreciation Dinner announcement, Fright Team Application, and the Golden

Ghoul Awards categories. These are provided to help you with generating your own ideas. But feel free to use these if you wish!

Eureka Screams!, LLC Fright Team Reward System

Because we value the contribution of our Fright Team volunteers, we want them to have a blast participating, but we also want to reward them by the following:

- **TradeWinds Pool Party – August (date to be determined)**
- **Fright Team Shirts**
- **Contests with prizes based on votes of volunteer / actor peers, such as “best team player” or “most dedicated”**
- **Cash bonuses based on actor attendance / performance**
- **Company sponsored crew outings, (i.e. miniature golf, pizza dinner)**
- **Free snacks and refreshments provided during attraction operation**
- **CD’s containing pictures from the 2004 haunt season**

Eureka Screams!



Fright Team Appreciation Dinner

As a token of our appreciation of your contribution to Raycliff Manor's success, Lee and Kelly would like to invite everyone who participated in the haunt to join us at Sonny's Pizza for dinner, compliments of Eureka Screams!

When: Wednesday, November 3rd

Where: Sonny's Pizza, 119 N. Main St. Eureka Springs

Time: 6:00 pm

Golden Ghoul Awards will be presented at the Fright Team Dinner.

Lee and Kelly will be handing out paychecks.

Food and beverages will be provided.

***** Fright Team Members Only Please *****

Fright Team Application

Name:

Address:

City: _____ State: _____

Zip Code: _____ Phone Number (with area code) _____

Email Address: _____

Are you able to wear a mask? Yes No

Are you allergic to grease paint or make-up? Yes No

Are you claustrophobic? Yes No

Are you asthmatic? Yes No

Are you epileptic? Yes No

Please list any other health concerns we should know about that may affect or prohibit your ability to perform in any area of the haunted attraction:

Example: hypoglycemia, bad knees

Please list any haunting / acting experience:

Do you have any particular role, (acting, security, make-up, etc.) that you're interested in? What would you like to do at Raycliff Manor? Please indicate here:

Eureka Screams!



Golden Ghoul Awards!

Fright Team Ballot - Cast Your Vote!

Scariest Award:

This award should go to the person you believe proved to be consistently scary while staying in character when performing in the haunt. They were frighteningly convincing in their roles!

Team Player Award:

This award should go to the person you believe maintained the most positive attitude and provided the best support of the entire Fright Team and demonstrated flexibility and a “whatever it takes” attitude, (Security, Make-Up Artists and Actors).

Most Dedicated Award:

This award should go to the person you believe went above and beyond the call of duty. This person proved to be punctual, reliable and always gave 100 percent or better, (Security, Make-Up Artists and Actors).

In the process of recruiting members of our Fright Team, we definitely made it clear that we were looking for commitment and that we weren't just looking for live bodies, so to speak, to throw in the haunt. For each person who expressed an interest in being involved, we required them to go through an interview, which gave us the opportunity to assess their actual commitment level. It's very important that each person understands what is expected of them and the ramifications if they fail to meet these expectations. It's equally as important to establish the rules and guidelines for the team. Having to take the same corrective action over and over with different individuals, due to a lack of clear cut rules, will make you crazy. Establish a disciplinary plan that you will use to enforce the rules and provide these to the crew in writing. If you will give one verbal warning, for specified actions and dismissal will result on the second occurrence, spell this out in the disciplinary plan. Having said all that, I'd like to now take the time to address each of three crucial roles of your fright team crew: security, make-up artist and actor.

Security:

Your security is going to be a critical part of the success and safety of your haunt. You will want to carefully recruit, screen and select your security personnel. The individuals you hire for security positions in your haunt will need to possess excellent conflict-resolution skills and be able to act and think quickly on their feet. The issues that can arise, which will need to be addressed are numerous. I don't tell you this in order to raise your level of anxiety, but to better prepare you for the challenges that you may have to face. Issues that arise can be anything from requesting someone to discard a soda before entering your attraction, to addressing a belligerent drunk who has decided to start taking swings at your actors. Having people who are level headed and able to physically handle individuals who may have a tendency toward violence is vital. For this reason, I recommend that in the interview process you

make it clear to candidates for security positions that you require the individuals to have experience with such situations. Give the individuals real life or case scenarios and ask them what they would do if confronted with these situations. Their answers should give you a pretty good indication of whether or not they possess the skills you require. Your security will only be as good as their support system. They should be made to feel a part of the team and just as important as your lead actor. They are!

Another issue when addressing security is communication. I strongly recommend you purchase two-way radio equipment and have a number of people in your haunt carry them. There are ear piece options where the radio can be worn on the waist and an ear piece is worn in the ear so that the radio communication is heard only by the individual wearing it. Your security team should wear the radio and a number of actors in key locations throughout the haunt as well. You should also make sure that your house manager, or a person with the fastest access to a phone is carrying a radio. In the event of an issue, you want to be able to notify security, and the police department if necessary, as quickly as possible. Be sure to set up a code system in your haunt so that you can convey emergency communication efficiently and effectively. We used the following codes for our haunt:

Code Red: Fire, hazard, or other emergency situation
Code Blue: Someone needing medical attention

For either of these codes, the house lights immediately came on so the issue could be addressed. There is more information on safety concerns in the Emergency Action Plan, which is located in the “Safety / Fire Codes / Security!” section of this book.

We had several other codes in place for a variety of situations, including:
Belligerent patrons, someone lighting a lighter, etc.

Someone needing an immediate bathroom break
A malfunction in one of the automated props, sound system, foggers, etc.

As you can probably imagine, we got a bit creative with these codes, but you can come up with codes of your own. Make them easily identifiable and be sure they cannot be mistaken for Code Red or Code Blue. I do recommend that you stick to the red and blue codes for the true emergency situations, as these are common and not likely to be misunderstood.

You will probably want your security to assist you with the opening and closing safety inspection of your haunt, (see “Raycliff Manor Safety Inspection” in the “Safety / Fire Codes / Security!” section of this book), and to help you make sure that your haunt is completely locked and secured at the end of each night of operation. Your security is a part of your team that is looking out for not only your crew, but for you as well. Let them know you appreciate them!

Make-up Artists

Your make-up artists will play a huge part in the overall professionalism of your haunt. The better and scarier your actors look, the more impressed your audience will be. There’s much more to monster make-up than white face paint and fake blood. The art of Halloween and horror make-up has reached all new levels of expertise of the past several years. If you’ve seen classic horror movies, like the Exorcist, American Werewolf in London, Army of Darkness and many other great horror movies containing incredible make-up artistry, you know what a difference an outstanding make-up artist can make in the success of a movie. The same goes for your haunt. As the haunt industry has grown and developed, the products for this artistry have become more and more available to the public; however, it takes someone with real talent to achieve the same professional results.

Locating and selecting good make-up artists can prove to be challenging. A good place to find such talent is at your local college or theatre. There are often individuals who work in local theatre, or at the college in the theatre department, who have a great deal of experience. Often you'll find these individuals also share a love for the haunt and horror genre as well. If you're lucky, you'll find someone who desires to work in both make-up and acting capacities in your haunt.

A great deal of money can be spent on professional make-up, so you want the person/s in charge of your haunt make-up to be able to manage and care for your products. There are a variety of make-up products the make-up artists may need to be proficient in depending on your budget. You may want to determine if they are comfortable working with the varying prosthetics, hair products, glues, latexes, etc. Try to get an idea of how many people you expect to need make-up and see if you can ascertain how much time your makeup artist/s will have to accomplish this. Then when you interview the candidates for this role, you can get se if they will be able to produce results in the needed time frame.

When you set out to recruit individuals with a background in make-up, you will want to have your candidates present you with a portfolio containing pictures of their work. You want to be sure their work is as incredible as they say it is. Remember, art is a very subjective thing. Although they may think their talent is incredible, it may not be the caliber of artistry you are looking for. Another option is to have the candidates actually perform. You can have an individual in a chair for them to work their magic on. Let them show you what they can do. This will give you an idea of their skill level and it will allow you to see how fast they can get an actor made up and ready.

Actors:

Not all “monster” roles in your haunted house will require experienced actors, but if you could fill every role with one, you’d have a much greater show. Although, I have to admit, there were a number of actors in our haunt with no experience in acting. Several of these individuals took on the challenge and their passion and love for Halloween came through. They were among the most enthusiastic and effective actors in the house! Don’t discredit those without experience. Sometimes, if you give someone a chance to prove themselves, they will reward you with total commitment and reliability.

As I mentioned in regard to make-up artists, the local theatre and college theatre departments are a great place to seek out acting talent for your haunt as well. You might check with the college to see if the theatre department is willing to offer college credits to students who perform in your haunt. If they do, they will require you to maintain a log of the hours the students perform. This is a great way to have individuals commit themselves. They definitely want to arrive on time and for every performance in order to receive full credit at college. If you live in a town that has a Rocky Horror Picture Show club or organization, you may find great talent through this avenue as well. Rocky Horror enthusiasts are typically very outgoing, interested in the horror genre, and they love to act! If you’re not sure, search the Internet for a group in your area.

When interviewing for the acting positions, you may want to assign a particular character to the individual you are interviewing and provide them with a scenario in the haunt. Be prepared to give your actor candidates a good understanding of the haunt theme, the storyline and some form of script for each character. Ask them to get into character and demonstrate their ability to act in a scary role. This may be difficult for some, but the true hams will love it. If you have a make-up artist willing to demonstrate their skills, you might have them do the make-

up on an actor candidate. This might help the individual get into character and give you a better idea of both candidates' skill levels.

When interviewing for all positions for your haunt, you want to emphasize the importance of each individual possessing “team playing” skills. No matter how good any individual is at their particular position, if they have an inability to get along with others, or have difficulty sharing the limelight, you are better off without them. A solid team will produce a much more successful show than will a group of people experiencing dissension and conflict because of one or two difficult individuals. Everyone on the team should know that they are as important as anyone else and that anyone else is as important as they. A happy team is more inclined to have fun and make the whole experience enjoyable for everyone involved... including you.



Managing the Books



Chapter Twelve

Accounting: Accounts Receivable, Payable and Taxes

Every truly successful business requires excellent finance management. We started this book discussing the importance of the business plan, not only for the purpose of soliciting financing for your business, but to keep it on track as well. If you don't have a good handle on your finances, you'll never be able to analyze your profits and losses and know the status of your business' financial well being. Some people have a knack at managing a manual ledger and tracking all income and expenses on paper. If you are competent in managing the finances of your business in this fashion, there is no reason for you to change.

For others, you may not be an accountant and unable to afford to hire one to manage the finances for you. If this is the case, I

recommend you invest in financial software, such as QuickBooks or Quicken. This software is easy to use and walks you through the process of setting up your accounts. Once you've done this, it's as easy as balancing a checkbook. The software also provides easily generated reports which illustrate your income sales and expenses, and it can be broken down for specific time periods. You can produce graphs and charts that provide a snapshot of your finances in an extremely comprehensible format. These are great additions to your revised business plan as your business grows and you need to obtain additional financing to take your attraction to the next level! You can also generate tax forms for filing your annual taxes. I've mentioned previously in this book that there are excellent free business resources, such as SCORE and the SBA. I'll include links to such business resources in the "Resources" chapter of this book.



Wow!

Look at Those Lines!

What Else Can We Sell?



Chapter Thirteen

Concessions & Promotion Items

An additional way to generate revenue in your haunted attraction is through the sales of concessions or other merchandise. Of course, in order to sell items at your haunt you first have to purchase them. Deciding whether or not to offer concessions or merchandise is going to depend on your budget. If you have the extra finances to invest into the sales of such items, this can be a great way to increase the earning potential of your haunted attraction. Although, I'd recommend that you start on a smaller scale and test run some of the items you plan to sell, which leads to a very complex question; "What items should I sell?"

There are a variety of merchandise options you can offer for sale at your attraction. I'll address some of the most common and try to provide you with a number of additional items to consider for your business. The most obvious are concessions, such as sodas, hot dogs, hamburgers and other food items. If you anticipate a long line of people waiting to go inside your

attraction, food items can be a viable option. However, if your queue line is going to be moving pretty quickly and people will not be waiting for a very long time period, I'd recommend that you forgo the food. There's nothing more irritating than purchasing a food item and then having to toss it in a trash receptacle because you are about to enter a ride or attraction and you can't take it with you. The food items tend to work best with haunted attractions that are also hosting festivals or shows where people know they will be spending a significant amount of time on site and have areas they can relax and eat while they enjoy some form of entertainment.

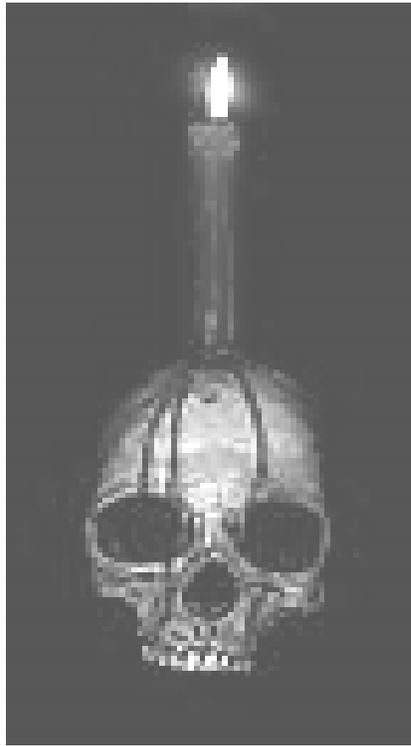
Items that I've seen enjoy a tremendous amount of success at haunted attractions I've attended are the glow bracelet and the glow necklace. People seem to love these! I've purchased them myself for events other than our haunt, but I am considering purchasing them to sell at our attraction this year as well. Be warned; there is some controversy surrounding the "glow" items. Often people will purchase these prior to going inside the haunt because they provide them with light while they are inside. If you have scenes that you feel would be negatively affected by the light these give off, you may want to avoid them. I've seen discussion regarding this issue online in haunted attraction forums and it appears that there are a number of haunts that choose not to sell the items for this very reason. Before you decide for your attraction, you may want to wear a couple of the glow items and take a tour through your haunt and test it out. If you do decide to go ahead with the glow items, be sure to check out eBay to find them. I've found the bracelets for sale in large quantities for as little as .08 cents each. They typically sell for \$1.00 each or more at haunts!

Other items that some haunts have experienced success selling are t-shirts and hats. These do require a bit more of an investment but, if your audience buys them up, they can also prove to give a better return on investment than the concessions or some of the smaller items. If your haunt has an incredible

logo that people will like, they'll probably be inclined purchase a hat or t-shirt with your logo. There's nothing better than having people pay you to advertise your haunt for you! Add your web site address to the t-shirts so that every time someone is walking around in it, they are a walking billboard for your business attraction!

Some haunts have been successful at selling CD's of the music that is played throughout their haunted attraction. Virgil and Midnight Syndicate, very well known haunt genre musicians, produce excellent haunt music. They work with haunted attraction owners and offer wholesale pricing on their CD's so that you can offer them for resale at your haunt. From personal experience, I can tell you that we are frequently asked by patrons of the haunt, "what is that cool music you have playing in your haunted house?" This presents an immediate opportunity to reply with, "We just happen to have the music available for you to purchase!" Like t-shirts and hats, this does require a bit of an investment on your part and you may want to test market the CD's at your haunt before investing a great deal into a large inventory.

For some additional low cost items, you may want to check out the Oriental Trading Company. If you haven't heard of this company, you definitely want to check them out. I've included them in the list provided in the following "Resource" chapter. They offer a variety of holiday themed merchandise, including Halloween of course, and their prices are incredibly reasonable. They offer spider rings, vampire fangs, and a volume of other merchandise you could carry with a very small investment. If you decide that you aren't interested in or can't afford to handle concessions or merchandise, this could also be a great opportunity for you to allow a non-profit organization to set up and do this for you. They'd be able to raise some funds for a good cause and you'd have the professional appearance of an attraction with concessions and/or souvenirs!



New Ideas:

Like A Candle Went On Over My Head!



Chapter 14

2006 Season — Updates!

Having completed a second very successful season, and after learning a great deal more about the business of haunting, I felt the need to add this chapter to my book. As I mentioned in previous chapters, I had planned to apply some new ideas and methods in our second season of business. A few of these items are the addition of VIP Passes, online ticket sales, dated coupons and a guaranteed Fright Team compensation. I'm happy to say that we were able to successfully incorporate all of these with positive results! I will address each of these herein in order to provide additional information I feel will be beneficial to the haunted attraction entrepreneur.

V.I.P. Passes:

For the 2005 Haunt season we decided to implement the V.I.P. Pass concept into our ticket sales. This was promoted through online ticket sales, which I will address in a moment, through our web site, print ads, radio advertisements, etc. For our second season we increased the size of our haunted attraction from 4,400 square feet to 7,000 square feet and raised our regular admission price to \$13.00. We decided to set the V.I.P.

Pass price at \$20.00. Let me explain the V.I.P. Pass to you. On a high traffic night of operation, the line to get into the Raycliff Manor attraction could span from one to three hours. People purchasing the V.I.P. Pass were able to go directly to the line designated for them, which typically would have a wait time of no longer than 20 minutes. We would alternate admitting people from the regular line and the V.I.P. line. This allowed these individuals the opportunity to plan their evenings around scheduled events, such as a movie, dinner, etc. We were surprised at the number of people willing to pay for this convenience.

In addition to the convenience of a short wait in line, our V.I.P. customers were each treated to a set of black and orange mardis gras style necklaces and a glow in the dark ghost pin that would be pinned to their shirt or lapel. People seemed to enjoy being able to be recognized as a V.I.P. guest! As a queue line entertainer, I enjoyed paying special attention to the V.I.P. guests as well, ensuring they felt they were receiving value for their expense.

Another way we were able to provide an added value to many of the V.I.P. guests was to offer them the ability to get behind the scenes and participate in a scare. They loved this! On occasion we would arrange with someone from the V.I.P. line to have an actor pull them aside in the haunt so that they would mysteriously disappear from their group. At times we would divert a V.I.P. group from going out the exit at the end of the haunt and have them follow us behind the scenes, only to introduce them back into the haunt near the entrance. The actors would taunt them as they passed back through with phrases such as, "Ever feel like you're stuck in a loop?" or "Back so soon?" or "You'll never get out of here!" etc. Of course, we could only do this on occasion depending on how busy we were and we were not able to provide this service to every V.I.P. customer.

Online Ticket Sales:

Overall we doubled our attendance to Raycliff Manor in 2005 over 2004. I can contribute a large part of this to the addition of online ticket sales.

For the 2005 season, we contracted Extremetix', www.extremetix.com, services in order to provide online tickets as a purchase option for our guests. They not only developed the content for providing ticket purchases on our web site, but they also customized the content to accurately reflect various ticket pricing options. We had the site setup to offer the following options:

- Early Bird Tickets –
- Group Sales –
- Prime Night Tickets –
- VIP Tickets –
- Weeknight Tickets –

In addition to providing us with the online ticket option, Extremetix was able to develop for us a custom survey questionnaire with which we were able to capture market demographic data from the visitors to our site in exchange for a discount they would receive on their ticket purchase. Outside of the short survey designed for us and the demographics captured there, the Extremetix system captures geographic and contact information as well as the email address of the site visitor/ticket purchaser.

Another feature of the Extremetix service that worked beautifully for us was the fact that we did not need to have a live Internet connection for ticket redemption. The laptop provided to us by Extremetix, was pre-loaded with the possible ticket verification codes that would be obtained by the ticket purchaser and printed on the tickets in a bar code type format.

In the evenings, when I would return to my home office from the haunt, I could connect the laptop to the Internet and upload the redemption information and generate “real time” reports showing tickets sold and tickets redeemed, by category. Once a ticket is scanned, it is voided and unable to be reused. If a person were to print their ticket and make a copy of the ticket, or print it more than once, the first ticket to be redeemed would be the only valid ticket. We made this clear on our web site to avoid attempts of this nature. I’m happy to say, we had not one problem with the Extremetix online ticket system.

In discussing marketing and advertising previously in this book, I mention the need to appeal to the desire for immediate gratification. Being able to immediately purchase tickets online and print them on your PC definitely satisfies this need. It’s amazing that some people will purchase tickets online and never redeem them, even the V.I.P. Passes! I’d definitely recommend any haunted attraction owner seriously consider providing the online ticket purchase option. Of course there is a fee associated with this service, but I can guarantee you it pays for itself!

Dated Coupons:

In our first year of business we were so excited to procure McDonald’s as a large sponsor willing to distribute coupons for us that we failed to sit down and strategically plan an effective use of the coupons. Rather we hurried to get coupons designed and printed so that we could get them into the hands of our sponsor before they changed their minds. Bear in mind we were still relatively new to the idea of obtaining sponsors for the haunted attraction and we hadn’t yet fully grasped the marketing exposure and benefit we would be providing the sponsor.

This past haunt season, we took a completely different approach to coupons. Unlike the past where the coupons could

be redeemed on any night the haunt was open, we planned a new strategy to use the coupons for the sole purpose of drawing in visitors in early season and on weeknights. Coupons were not valid later in the season, closer to Halloween, nor were they valid on Friday or Saturday nights after the first weekend in October. Of course, the radio advertisements didn't specify when the coupons were valid, but the ads did direct people to McDonald's and Halloween Express to pick them up. On the coupon itself, it was indicated that the coupon could be doubled in value, from \$1 off to \$2 off, if they purchase their ticket online. As I mentioned before, this enables us to capture market demographics for our future marketing strategy. Of course, the double value offer was valid for specified nights as well.

Keep in mind that the coupon has the following four-fold purpose:

1. Enables you to partner with a prominent company as a sponsor (Name recognition by association)
2. Branding – The coupon is a tool used to get exposure for your logo/business name
3. Drive People to your haunt early in season and on slower nights
4. Market Demographics – Drives people to your site where you can collect information from them

As discussed in the Marketing/Advertising chapter of this book, coupons can be a very important part of your marketing and advertising strategy. The business your coupons bring to your sponsors can ultimately be used as leverage toward the procurement of additional sponsorships and can potentially lead to paying sponsorships!

Fright Team Compensation:

For our last season, we implemented a rigorous recruiting, interviewing and hiring process. We developed a two phase interview process in which the candidate is first interviewed by the House Manager, Mari Maya, and then, if Mari feels the candidate has potential and passes them, they are interviewed by me. Once selected, the Fright Team members are required to attend a Safety Training Meeting, at which a representative from the Fire Department shows a safety video and has the team members each put out an actual fire with a fire extinguisher. They also attend an Orientation where we cover introductions, the history and background of the business, our mission and goals, the house rules, expectations, etc and then treat the entire team to dinner at a restaurant and give everyone the opportunity to mingle and meet.

This past year we established a new compensation policy where we guarantee our Fright Team members, including makeup artists, security and actors, financial compensation, plus we provide Fright Team Dinners, prizes, awards, etc. We were able to develop an awesome team last year and we hope to have most of them working with us again this year! Here's the pay scale we provide the actors, which also shows the bonus system. The bonus incentive was great in helping to have people remain committed to the team and reliable in attendance.

Nights Worked:	Nightly pay:	Bonus:	Possible Pay:
1-5	\$35	\$0.00	\$35-175
6-8	\$35	\$25.00	\$235-305
9-11	\$35	\$50.00	\$365-435
12-14	\$35	\$100.00	\$520-590
All 15 nights!!!	\$35	\$200.00	\$725

Of course we also provide incidentals like candy, chips, muffins, sodas, bottled water, etc.

Would we have the same commitment with volunteers? It's hard for me to say. One of the requirements of the applicants is that they have a love of the genre and somehow demonstrate or convey that in the interview process. I do know this; most of our team members have stated that the pay is just icing on the cake for them and they claim they'd be there even without the pay. It's nice to hear, but I know most of the team members have bills just like I do and we put high expectations on them.

Of course, we've invested a great deal into the attraction the past two years and we've only been able to cover our overhead and make a decent contribution to a charitable organization each year so far. I may have to re-think using at least some volunteers down the road. That is, unless our attendance continues to increase at the rate it did last year over the previous year. Then I'll re-think increasing the pay. (Smile) As a for-profit, I believe that if I continue to take care of the committed members of the team, in the long run they'll also be taking care of me as the business becomes stronger and more prosperous. Time will tell!



Haunt Related Resources



Chapter Fifteen

Resources

There are a number of resources available for haunters these days, including associations, online forums of members who help each other out, web sites dedicated to set design, prop building, haunt construction, make-up etc., as well as a variety of informational business assistance resources. I have compiled as comprehensive a list as possible for you here and I have categorized them for ease of use as an excellent resource reference guide. I'm sure there are some resources and/or web sites that I have missed; however, I believe this list should be a great help to you as you set off on your haunt entrepreneurial adventure. I wish you the best of luck and I hope to run into you, either at one of the tradeshow or online in one of the forums. If my book helped you out, please let me know. I'd love to hear it!

Associations:

Haunted House Association (HHA)
www.hauntedhouseassociation.org

(IAAPA) www.iaapa.org

Haunt Related Charities:

Don't Be a Monster
<http://dontbeamonster.org/>

Haunt Insurance:

Donat Insurance Services, Inc.
<http://www.donatinsurance.com/>

Online and Print Magazines:

Fright Times Magazine
<http://www.frighttimes.com/>

Fright Radio
<http://frightradio.blogspot.com/>

Haunted Attraction Magazine
<http://hauntedhouse.com/blog/>

HauntWorld
<http://www.hauntworld.com>
www.hauntedhousemagazine.com

Haunt and Horror Podcast:

Big Scary Show
<http://www.bigscaryshow.com/>

Fright Radio
<http://frightradio.blogspot.com/>

Hauntcast Radio
<http://hauntcast.net/>

Haunted Radio
<http://www.hauntedradiopodcast.com/>

Haunt Topic
<http://hauntopic.com/>

Haunted Attraction Designer / Builders:

Black Light Attractions
www.blacklightattractions.com

Boneyard Productions
<http://www.boneyardhauntedhouses.com>

Creative Visions
www.creativevisionsonline.com

Halloween Productions
www.halloweenproductions.com

Haunt Visions
www.HauntVisions.com

The Maize – Cornfield Maze Builder
<http://www.cornfieldmaze.com>

Zombie Army Productions
<http://www.zombiearmyproductions.com/>

Conventions / Conferences:

Great Lakes Fright Fest
<http://www.greatlakesfrightfest.com/>

Hauntcon
www.hauntcon.com

Haunted House Tradeshow
www.hauntedhousetradeshow.com

Midsummer Scream
<http://midsummerscream.org/>

Midwest Haunters Convention
www.midwesthauntersconvention.com

National Haunters Convention
<http://www.halloweenshow.com/>

ScareLA
www.scarela.com

Transworld haunt & Attractions Show
<http://www.haashow.com/>

West Coast Haunters Convention
<http://hauntersconvention.com/>

Do It Yourself Projects & Resources:

Devious Concoctions
<http://www.deviousconcoctions.com>

Hot Wire Foam Factory
<http://hotwirefoamfactory.com>

Mark Butler's Monster List
<http://www.halloweenmonsterlist.info/>

Monster Guts
<http://www.monsterguts.com/store/>

Scary Terry's Halloween Pages
<http://www.scary-terry.com>

Special Effect Supply Directory
<http://www.fxsupply.com>

Business Development Tools:

Entrepreneur.com
www.entrepreneur.com

Online Trademark
<http://www.uspto.gov/teas/index.html>

SCORE
www.score.org

Small Business Administration
www.sba.gov

Haunt Music:

Audio Zombie
<http://www.audiozombiesound.com/>

Departed Studios
<http://www.departedstudios.com/>

Midnight Syndicate
www.midnightsyndicate.com

Music for Haunts – Chris Thomas
<http://musicforhaunts.com/>

Nox Arcana
<http://www.noxarcana.com>

Haunted Voice Trax and Media:

Dick Terhune
<http://www.voicefromhell.com/>

Fox Productions
<http://www.foxproductions.tv>

Masks, Costumes, Props & Other Merchandise:

Abracadabra Magic & Costume Shop
<http://www.abramagic.com>

Abracadaver Productions
www.abracadaver.com

American Science Surplus – Mad Scientist Lab Equipment
<http://www.sciplus.com/topsellers.cfm>

Bloody Mary – Professional Hollywood Makeup
<http://www.dearbloodymary.com>

Boneyard FX
<http://www.boneyardfx.com>

Brainchow Studios
<http://www.brainchowstudios.com/>

Brookshire Software
<http://www.brookshiresoftware.com>

Brutal Rust
<http://brutalrust.com/>

Bucky's Boneyard
<https://www.skeletonstore.com/>

Castle Blood
<http://www.castleblood.com>

Composite Effects
<http://www.compositeeffects.com/>

Creature Corps
<http://www.creaturecorps.net/>

Creepy Collection
www.creepycollection.com

Cybergraphic Designs
<http://www.getspfx.com>

Dark Imaginings: Haunted Changing Portraits and Spooky
Special Effects!
<http://www.darkimaginings.com>

Dark Tech Effects
<http://www.darktecheffects.com/>

Dead House Designs
<http://www.deadhousedesigns.com/>

Death Studios
<http://www.deathstudios.com>

Dental Distortions
<http://www.dentaldistortions.com>

Devious Concoctions
<http://www.deviousconcoctions.com>

Distortions Online
<http://www.distortionsunlimited.com>

Dynamic Design, Intl.
<http://dynamicdesignintl.com>

Evilusions
www.evilusions.com

Ex Mortis
<http://www.exmortis.com>

Extremetix – Online Ticketing
<http://www.extremetix.com/>

Flavorus – Online Ticketing
<http://www.flavorus.com/>

Fog it Up!
<http://fogitup.co/>

Fright Ideas
<http://www.frightideas.com>

Fright Props
<http://www.frightprops.com>

Froggy's Fog
<http://www.froggysfog.com/>

Gantom Lighting & Controls
<http://www.gantom.com/>

Gilderfluke & Co.
<http://www.gilderfluke.com>

Ghost Ride Productions, Inc.
<http://www.ghostride.com>

Gore Galore
<http://www.gore-galore.com>

Graftobian Makeup Company
<http://www.graftobian.com>

GreX Airbrush
<http://www.grexusa.com/grexairbrush/>

HauntBots
<http://www.hauntbots.com/>

Haunted Enterprises
<http://hauntedenterprises.com/>

Haunted House Supplies
www.hauntedhousesupplies.com

Haunted Memories
<http://www.hauntedmemories.com>

Haunted Portraits
<http://www.hauntedportraits.com>

Haunted Ventures FX

High End Systems - Lighting
<http://www.highend.com>

Horror Factory
<http://www.horrorfactory.com>

Juneau Studios
<http://www.juneastudios.com/home.html>

KStudios
<http://www.kstudios13.com/>

Laser Magic Productions
<http://www.laser-magic.com>

Makeup FX
<http://www.makeup-fx.com>

Midnight Studios FX
<http://www.midnightstudiosfx.com/>

Minions
<http://www.minionsweb.com>

Mini Spotlight
<http://www.minispotlight.com/>

Monster Club
<http://www.monsterclub.com>

Monster Makers
<http://www.monstermakers.com>

Morris Costumes
<http://www.morriscostumes.com>

Monster-Tronics
www.Monster-Tronics.com

Mr. Chicken's Prop Shop
<http://www.chickenprops.com/>

Necrotic Creations
<http://necroticcreations.com/>

Nethercraft
<http://www.nethercraft.com/>

Nevermore Productions
<http://www.nevermoreproductions.net/>

Night Frights
<http://nightfrights.com/>

Oriental Trading Company
www.orientaltrading.com

Pale Night Productions
<http://www.palenightproductions.com/>

Poison Props
<http://poisonprops.com/>

Polytech Foam Products
<http://www.polytechfoam.com>

Pumpkin Pulp
<http://www.pumpkinpulp.com/>

Roboteq – Animatronic Controllers
<http://www.roboteq.com>

Scare Factory
<http://www.scarefactory.com>

Scream Team
<http://www.screamteam.com/>

Scream Pass – E-Ticketing
<http://www.screampass.com>

Screamline Studios
<http://www.screamlinestudios.com>

Sinister Signs
<http://www.sinistersigns.com/>

Spooky Props
<http://www.spookyprops.com/>

Stonegate Creations
www.stonegate-creations-studio.com

Studiotek FX
<http://studiotekfx.com>

Terror by Design
<http://www.terrorbydesign.com>

Terror Syndicate
<http://terrorsyndicate.com>

The Horror Dome
<http://www.thehorrordome.com>

Ticket Biscuit – Online Ticketing
<https://www.ticketbiscuit.com/>

Ticket Leap – Online Ticketing
<https://www.ticketleap.com/>

Trick or Treat Studios
<http://www.trickortreatstudios.com/>

Trip Six Studios
<http://www.tripsixx.com/>

Unit 70 Studios
<http://www.unit70.com>

United Mask & Party
<http://www.unitedmaskandparty.com>

VFX Creative Studios
<http://www.vfxcreates.com/>

Von Charon Productions
<http://voncharon.com/>

Clip Art, Midis, Gifs, etc:

Halloween Clip Art
<http://www.halloween-clipart.com>

Fontenstein
<http://www.halloweenfonts.com>

Sinister Fonts
<http://www.sinisterfonts.com/>

Art, Graphics & Web Design:

Brainstorm Studios

<http://www.brainstormstudios.com>

Dark Wire Design

<http://www.hauntsearchmagazine.com/pricing.html>

Rogues Hollow

<http://www.rogueshollow.net>

Sinister Visions

<http://www.sinistervisions.com>

Thorn Web Designs

<http://www.thornwebdesigns.com/>

Graphic Design & Screen Printing:

Sinister Visions

<http://www.sinistervisions.com/>

Studiotek FX

<http://studiotekfx.com/printing.html>

Haunted House Directory and Message Forums:

Find Haunted Houses

www.findhauntedhouses.com

Haunted Connection - Actor Database

<http://www.hauntedconnection.com>

Haunted Houses U.S.
<http://www.hauntedhouses.us>

HauntedHouse.com
www.hauntedhouse.com

Haunt Finder
<http://www.hauntfinder.com>

Haunted Illinois
<http://www.hauntedillinois.com>

Haunts.com
<http://www.haunts.com/>

HauntWorld
www.hauntworld.com

Horrorfind.com
<http://www.horrorfind.com>

Latex Mask Central
<http://www.latexmaskcentral.com>