

2021 ARC3-Live Urgent Project Development

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Background

We are facing an emergency. No, we are not talking about the pandemic, we are talking about a whole segment of the entertainment industry being crippled: live shows and concerts.

In many countries, live shows have been banned since months, leaving the performing artists and the technicians taking care of sound, light and stages out of business. Tour managers and concert hall owners have no choice but to wait for the lockdowns and restrictions to end, most of the few shows that were announced got cancelled.

The many people waiting to finally be allowed to perform or to just do their jobs cannot live on hope for much longer. What comes next for them? Will the lockdowns be lifted this summer? Probably at least partly, but what then? Will only vaccinated people be allowed in, leaving at least 1/3 of the audience out? The next pandemic might wait around the corner and if there is one thing we know now, it is that the entertainment industry is labelled non-essential, thus, it will be the first to be shut down again. In many European countries, politicians already state that their countries won't be back to normal before 2022. Will the industry linked to live shows survive that long?

The way out of the crisis with the ARC3 patented technology

We from ARC3 are working on the new, virtual internet. We have a patent for it and with it, we will make even the best science fiction movies look old fashioned. It takes time and a lot of investment to make this new internet of ours come to live, but time is what we do not have now, if we want to prevent the disaster which is about to financially hit hard all the many passionate people whose existences are depending in concerts and live shows.

Given the dystopic situation we are all experiencing, we changed our priorities: Instead of creating the new ARC3 internet as a full version right away, we will focus on the small segment that urgently needs to be online: the one addressing live shows.

Currently, some comedians are offering shows on video conference platforms, but the atmosphere is just too far from the real thrill and the fun of a real live show. Nevertheless, we gained from those improvised comedy shows the understanding that performing artists are willing to engage with the new tools at hand. Comedians are the only ones that got a chance to try it, as their art can somehow fit at least a little in such a tight frame.

Taking it from there, we plan on creating a whole virtual world composed of concert halls in which artists can perform in front of their audience.

How the ARC3-live world will be working

- We create virtual live venues, like concert halls, small theatres, bars with small stages, stadiums, antique roman theatres and so on.
 - Our designs also can be inspired by real existing venues (if the real existing venues sponsor it, see below in the financing section)
 - We will create a set of about 50 venues + the sponsored real existing venues as a virtual version
 - Every single one of those venues can be booked multiple times
 - To get the best possible experience, the public will need a complete set of VR headset (we can promote a certain brand if this brand sponsors us). We will provide to each user the ARC3 software/app in order to run the ARC3 -live shows.
- A band/artist wishing to organize a concert/show can book one of those venues within our virtual universe (Metaverse).
 - The technical requirement is basic, most bands probably already have what is needed, we still will provide an exhaustive list to the bands depending on what they plan on performing
 - o A reservation fee will be paid and a contract will be set up
 - The band/artists choose if they want to address the whole world or only some countries – we consider it an advantage to stay close to one time zone, as shows should better take place in the evening
 - Just like for real shows, the main artists can decide if they want opening acts or not and which ones those will be. We will work together with companies in every country in order to also promote local opening acts (this is also how the whole industry, also the small yet unknown artists can get a platform and go back to business)
 - We will support the booking of sound, light and special effects. Technicians will work from home from their computers.
 - The performing artists need at least one camera to stream their show, best is several cameras to achieve a better live stream quality. To achieve a good sound quality additional microphones are needed.
 - The cameras will project the performing artists into the virtual environment: while the artists are actually playing in a blank room or a hall close to their homes, the background and all the surroundings will be replaced by the chosen virtual stage
 - All artists receive 7 days of free practice in the booked virtual venue before the concert date in order for them and their technicians to have the technical settings right.
- We organize ticket sales or/and work together with companies already specialized on ticket sales

- Virtual tickets need to be virtually presented on the day of the show and also can have sponsors advertising on them.
- Each person purchasing a ticket for the first time will be notified about what is required to access the virtual stage: the minimal requirement is a VR headset.
- The hardware needs to be purchased only once. Many gamers already having Virtual Glasses and Gloves need only to get the ARC3 software/app

How the concert takes place

- Each person who reserved a ticket needs to put on the VR glasses and connect it to the computer/laptop.
- Load the ticket
- Virtually reach the venue
- If you wish so, you can connect with your friends who booked the same show by voice over IP (VoIP)
- o Enter the venue, the stage is on
- o The concert will be performed by the artists in a location of their choice.
- The technicians will replace the real world setting where the artists perform with the virtual stage (like a green screen).
- The performing artists can watch the virtual audience on a flat screen while performing
- When the show starts, one technician can take care of the sound system, one of the light design.
- Additional technicians can use the possibilities offered by our virtual stage to implement special effects.
- The VoIP system connects the audience and the artists. This way, yelling, clapping and laughing from the virtual public can be heard. (The right sound balance between public and show will be achieved by a technician.). By pressing the "connect to friends" option, you can talk to your friends and your voice won't be heard by the crowd anymore. The concert itself is still heard.
- The audience project themselves into the virtual location by using their webcam.
 People booking first row tickets can be seen by the performing artists in real time as they can see the audience on a screen while they perform.
- o The show can be recorded and streamed back only if the artists wish so.

The ARC3-live shows will be an experience in which the audience will be fully immersed in the show, able to sing along with songs. They will be literally attending a show, and for those users who have a camera, they even can project themselves into the virtual venue, to fully feel connected to the event.

The virtual ARC3-live world audience

The requirements needed to fully enjoy the live experience are: VR Headset, a computer or laptop with at least CORE i5, optional would be a webcam

This means that the first people who will be able to watch the ARC3-live shows will be gamers, as many of them already own the device needed to attend the shows. This leaves us with a very broad market to start with:

- There are more than 2.5 billion video gamers around the world (about 1/3 of the world's population!)
- The average gamer is 34 years old
- 70% of gamers are age 18 or older
- 60% of Americans play video games daily

Considering that most people who are not gamers but who like to attend live shows only miss the VR Headset from the list of requirements to attend our virtual shows, the investment to be able to attend to multiple concerts is only about \$ 200 to \$ 300 for the headset and a webcam. As virtual concerts can address a way bigger audience than a show in real life and no touring costs will occur, the price per ticket can be much lower than it usually is. This means that after attending only a few virtual shows the price for the starter kit will already be amortized.

Why do we care about live shows?

To our team, live shows are vital. This is where we relax, this is where we regain our energy and creativity. We cannot and will not watch the music industry suffer any longer while we know that we can prevent further struggling.

The Future of ARC3

We hope that live shows will be back live sooner than later, best would be right away. In some countries live shows and concerts indeed are allowed back with no restrictions. We do however believe that ARC3-live is meant to stay additionally to real world live shows, as each live performer adding to the tour some virtual shows can reach an audience broader than ever was possible before. ARC3-live is not only a backup, it is part of the future.

Financing ARC3 as a Team

We do not have the funds to go online yet, but we cannot wait for potent investors to fully fund our project and this is why we found a way around it. We need you, musicians, comedians, live performing artists, sound – light and stage designers, concert hall owners, music promoters and

managers to be on board with us. Together we can pull it off and create a win-win situation. This is how we can proceed to get the project funded:

- 1. The first step is to make a video to not only describe but to show how ARC3- live works.
- 2. A team of Designers, Programmers and photographers will be hired to make that video (including the first virtual stage) with a music band of our choice.

Estimated costs for those steps 1 and 2 are \$100000.

3. This mock-up video showing how the ARC3⁻live shows would work, we will contact companies from the entertainment industry to partner up with them. We will hire agents to do that as fast as possible.

Estimated costs for Step 3 are also \$100000.

Those 3 steps are the only real upfront investment that we need to realize the project: this is a total of \$200000, corresponding to 2 units of UGT/ARC3 and if the investor is a musician/band we will not only grant the 2 units of the whole UGT project, we will also grant to this musician/band to be the first concert ever taking place in the ARC3-live universe. As part of the promotion of ARC3 this first show will be promoted to all bloggers, magazines and websites connected to the gaming and music worlds.

- 4. All the further costs for the development, beta-testing and the marketing of ARC3 live will be financially backed up by our partners as follows:
- Concert halls owners
 - o For an amount to be set according to the complexity of their chosen design, they can have a virtual version of their location made by ARC3 designers. Once those locations are online, the owners of the concert hall have admin access to those and can virtually rent those as they wish and organize the concerts/shows they want within their premises. As they own those virtual locations, they will pay no rental fee to ARC3 for those: it is theirs. The only fee that still applies is the cost per ticket sold (the costs per ticket are mandatory to cover the costs of the ARC3system including the servers). Only ARC3 and concert hall owners pre-paying for being part of ARC3 will be represented in the ARC3 -live universe for at least 2 years. The policy will then be revised. Following their own limited policy rule, ARC3 will not have more than 30 locations of their own for at least 2 years.
- Stage design
 - Stage design companies can make a contract with ARC3 in order to become "accredited" by ARC3. This means that they will be the first to get a schooling from ARC3 technicians, in order for them to get the technical knowledge on how to make the virtual stage design of shows/concerts within the ARC3 environment. Only accredited companies are allowed to get admin access to work on ARC3 concerts/shows. Once ARC3 is online, the companies already accredited can offer and also sell schoolings to other companies interested in becoming accredited

themselves. The financial advantage of being among the first to be able to work on the virtual shows and to also be allowed to transfer the knowledge is obvious. The fee to become accredited is \$ 5000.

Sound design/sound engineers

Sound design companies/sound engineers can make a contract with ARC3 in order to become "accredited" by ARC3. This means that they will be the first to get a schooling from ARC3 technicians, in order for them to get the technical knowledge on how to cope with the specifics of the sound (including schooling about latency) for shows and concerts within the ARC3 environment. Only accredited companies are allowed to get admin access to work on ARC3 concerts/shows. Once ARC3 is online, the companies already accredited can offer and also sell schoolings to other companies interested in becoming accredited themselves. The financial advantage of being among the first to be able to work on the virtual shows and to also be allowed to transfer the knowledge is obvious. The fee to become accredited is \$ 5000.

• Light design/light engineers

Light design companies/light engineers can make a contract with ARC3 in order to become "accredited" by ARC3. This means that they will be the first to get a schooling from ARC3 technicians, in order for them to get the technical knowledge on how to cope with the specifics of the light (including schooling about latency) for shows and concerts within the ARC3 environment. Only accredited companies are allowed to get admin access to work on ARC3 concerts/shows. Once ARC3 is online, the companies already accredited can offer and also sell schoolings to other companies interested in becoming accredited themselves. The financial advantage of being among the first to be able to work on the virtual shows and to also be allowed to transfer the knowledge is obvious. The fee to become accredited is \$ 5000.

Tour organizers

Tour organizers need no accreditation by ARC3, but they will need to get an indepth schooling about the possibilities and about how to set the tour up. From world tours to local, how to include some virtual gigs within a tour in real life, different bands jamming on the virtual stage while in the real world they are in different locations... Opening acts sometimes need to be local bands, so you need a different set up to coordinate the different bands. We will go into the details of the possibilities that virtual stages offer. The tour organizers can decide which sponsors appear on the virtual tickets and get 50% of the virtual stage advertisement space. The fee for the schooling and to buy upfront the 50 % advertisement space is on how to make the most out of ARC3-live is \$ 5000.

Ticket sales

 Ticket sales needs to be carefully organized and at least partly controlled by ARC3 in order for the servers to stay stable (we will not at first have the server capacity to host an audience of 1 billion of people). ARC3 will therefore organize the ticket sale or work closely with only 1 company on ticket sales (for at least 2 years), after which the ticket policy will be reviewed. We will take each offer into consideration and negotiate in order to have a win-win situation as it is the case with all the other deal offers of ours.

All companies and people interested in joining our project will sign a Letter of Intent.

ARC3 Sponsoring

If you are wishing to act as a sponsor to ARC3 independently of the offers above, please do not hesitate to contact us. We have many possibilities in the ARC3 universe to advertise and promote your business. The virtual concert halls and stages have plenty of space for advertisement and you can work closely with our marketing team if you want to be among the first to support our project.

Investors and Intellectual Property Protection

ARC3 technology and intellectual property is USPTO registered. This ensures that our technology cannot be copied or developed ahead of us. It is possible to make virtual life shows without our technology, but for now, we believe that there is no other way to realize the photorealistic virtual graphics as we are offering in order to achieve an immersive experience. We are constantly adding to our product and adjust our patent to reflect current changes of our technology.

The Virtual Reality (VR) market was valued at USD 17.25 billion in 2020 and is expected to reach USD 184.66 billion by 2026. If you want to be part of ARC3 feel free to contact us.

Contact Details

Please direct all your questions to:

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