

Condensed Executive Summary

Serving as a year-round trail system, adventure park and community gathering space, WinMan Trails provides residents and visitors an opportunity to experience outstanding trails that inspire an active, outdoor lifestyle.

Our core strength is offering an incredible trail-related experience. Our trail design allows for the entire family to enjoy themselves, while still offering challenges for more advanced riders. By offering excellently maintained trails that are well marked and mapped, new users feel confident and comfortable when visiting WinMan for the first time. Our location benefits from soil conditions that allow for excellent trail design and sustainability, scenery and forests that stimulate the user, and topography that packs in fun for every level of user.

Offering more than just an incredible trail experience, WinMan Trails focuses on the entire user experience. This forward thinking approach of appreciating the entire experience has opened up opportunities for additional revenue generating programs including clinics, retail, apparel, food, and beverage sales.

Benefiting from an authentically developed and well established customer base, overall industry growth in mountain biking and cross-country skiing, along with the vast benefits of our location, WinMan Trails is in a unique position to strengthen itself as a destination trail system and premier asset for the community.

We believe that by continuing to strengthen our core competency of quality, year-round trails, coupled with an enhanced user experience, will lead to a more sustainable non-profit model in the coming years.

Executive Summary

WinMan Trails is a network of mountain biking, hiking, cross-country skiing, winter fat tire biking, and snowshoeing trails in the Northwoods of Wisconsin. Serving as a year-round adventure park and community gathering space, our trail system provides residents and visitors an opportunity to experience outstanding trails that inspire an active, outdoor lifestyle.

WinMan Trails began in 2013 as family mountain bike trails on private land owned by the Gering family. Over the last 9 years, the system has grown and evolved into a destination trail system attracting users from throughout the upper Midwest, and beyond. Currently WinMan Trails offers 21 miles of purpose-built mountain bike trails, 22 kilometers of cross-country skiing trails, over 8 miles of groomed and backcountry snowshoeing, 10 miles of groomed fat tire biking, over 6 miles of running and hiking trails, and a pump track for riders of all ages to develop fundamental skills.

Originally conceived under the premise of “build it and see if they come,” the popularity of WinMan has grown each year. There is no doubt that we achieved “proof of concept” and become a valuable asset to the experience many families have when visiting the Northwoods. In 2020, we had approximately 31,600 visitors, which at the time was our busiest year. In 2021, WinMan hosted almost 37,000 individual visits - a 17% increase in just one year.

Our core business is offering an incredible trail related experience. Our trail design allows for the entire family to enjoy themselves, while still offering challenges for more advanced users. We offer excellently maintained trails that are well marked and mapped. This allows new users a chance to feel confident and comfortable when mountain biking or cross-country skiing here for the first time. Our location benefits from soil conditions that allow for excellent trail design and sustainability, scenery and forests that stimulate the user, and topography that packs in fun for every level of user.

Offering more than just an incredible trail experience, WinMan Trails focuses on the entire user experience. We offer amenities including a chalet with indoor restrooms, changing rooms, and a wood burning fireplace as well as multiple indoor and outdoor gathering spaces. This forward thinking approach of appreciating the entire user experience has opened up opportunities for additional revenue generating programs including clinics, retail and apparel sales, and alcohol sales.

Benefiting from an authentically developed and well established customer base, overall industry growth in mountain biking and cross-country skiing, along with the vast benefits of our location, WinMan Trails is in a unique position to strengthen itself as a destination trail system and premier asset for the community. We believe that by continuing to strengthen our core competency of quality, year-round trails, coupled with an enhanced user experience, will lead to a more sustainable non-profit model in the coming years.

Mission Statement

WinMan Trails inspires adventure and strengthens community by sharing an exceptional outdoor trail-related experience.

Vision Statement

WinMan Trails serves as a year-round adventure park and community gathering space for residents and visitors to experience outstanding trails and upscale facilities that inspire active, outdoor lifestyles.

WinMan Trails Role in the Community

WinMan Trails is an asset to a community made up of locals and second homeowners from larger metropolitan areas such as Milwaukee, Chicago, Madison, and Minneapolis. Serving visitors of all ages and skill levels, our trails provide an opportunity to connect with nature and promote a healthier, active lifestyle. We bring together families from multiple generations by providing an opportunity for the entire family to spend quality time together. Complemented by our chalet and onsite amenities, our trail system provides something for everyone.

WinMan Trails has developed into a destination trail system bringing in tourists from throughout the Midwest, and beyond. This positively impacts the entire region, helping support local restaurants, retailers, rental cabins, and hotels year-round. An economic impact study performed at CAMBA Trails near Hayward, WI found that tourists spend an average of \$200 per day when visiting the region.

Young professionals looking to relocate value communities that embrace outdoor experiences. With the rise in work from home opportunities, as well as a trend away from densely populated urban centers, WinMan Trails is exactly the community amenity young professionals are searching for. WinMan Trails serves as a compelling reason to relocate to our area which economically improves the quality of life for everyone who lives here.

Below is the Winchester Town Board's official statement regarding the impact of WinMan Trails to the area:

"WinMan Trails is an asset to the Town of Winchester because it provides high quality, year-round, family-friendly recreation. The positive impacts it has for our residents and community are healthy outdoor activity and an expanding economic development run by professionals. The Town Board fully supports WinMan Trails and their mission, and we will continue to support their efforts moving forward in whatever way possible."

Where It Began

In 2011, WinMan Trails started as a family trail system on private land owned by the Gering family. Using new techniques and equipment that were truly innovative at the time, the first mountain bike trails were built using a mini excavator. Travis Bellman who was trained in quality and sustainable building techniques by the International Mountain Bicycling Association

(IMBA) and a small crew including Robert Polic and Gene Oestreich built a few miles of singletrack.

By 2013 the group, led by Robert Polic, added cross country skiing, snowshoeing, and fat tire biking trails. This private, family trail system was quickly evolving into a silent sport trails system that the local community and visitors to the area could enjoy. Supported by generous financial and land donations from the Gering family, and volunteer efforts from Gene and others who believed in the vision, WinMan Trails officially took off.

In 2015, a preliminary agreement was established with the DNR to utilize adjacent properties allowing WinMan Trails to expand beyond the privately owned land of the Gering family. A Phase One vision was established which included a master trail design of 17+ miles of mountain biking trails, 12-15 miles of cross-country ski trails, a heated chalet and indoor restrooms, and a staffing and volunteer plan to ensure trails were maintained. After 3 years of work, a formal land use agreement was established with the DNR in 2018, allowing WinMan Trails to set its sight on what the future could become.

Where We Are Today

As we begin 2022, Phase One has been successfully executed. WinMan Trails currently offers:

- 20 miles of purpose-built mountain bike trails
- 22 kilometers of cross-country skiing trails providing both classic and skate skiing options
- Over 8 miles of groomed and backcountry snowshoeing
- 9 miles of groomed fat tire biking
- Over 6 miles of running and hiking trails
- Pump track for riders of all ages to develop fundamental skills

The current chalet, which was donated by the Uihlein family and finished in 2018, offers users year-round, daily access. Features of the chalet and other amenities located at the trailhead include:

- Indoor bathrooms and changing rooms
- Water filling station
- Free Wi-Fi
- Wood burning fireplace
- Kitchen facilities
- Vending machine with healthy snacks and drinks
- Multiple indoor and outdoor gathering spaces
- Multi-station bike wash and outdoor shower

With a steady focus on enhancing the user experience, we continue to develop our main asset, quality trails. WinMan Trails has seen a steady and consistent increase in visitors and

donations. The quality of our trails has proven to be a destination for visitors from the surrounding communities of the Northwoods, as well as from across the country.

- WinMan hosted almost 37,000 visitors in 2021 (17% increase compared to 2020)
 - Summer visitors utilize both our trail system as well as the Heart of Vilas County paved trail system which begins at WinMan Trails
- User donations of our trail system finished 82% higher compared to 2020
- Tourists spend \$200 daily when visiting the region (2020 UW River Falls Economic Impact Study at CAMBA)
- 82% of our users permanently live more than 25 miles away

Through paid staff, and the support from volunteers who contributed 300+ hours of work in 2021, the trail system continues to grow, evolve, and excel at giving users an exceptional outdoor trail-related experience.

Where We Are Going

WinMan Trails has always actively engaged with our users to better understand what would make their experience at our trails even better. Listening to that feedback, in 2021 WinMan Trails for the first time offered mountain biking clinics led by certified instructors, opened an apparel and retail shop, and acquired a liquor license and started serving beer. Each initiative has demonstrated immediate acceptance and helped identify potential opportunities moving forward.

As Phase One was nearing completion, the leadership at WinMan recognized a need to strategically plan for the future. An Advisory Board was established in the Spring of 2020 to develop a strategic plan and set the course for not only Phase Two, but beyond. The team developed a framework of success to aid in the decision making and growth as part of Phase Two.

- Establish 22-25 miles of quality mountain biking trails with current and relevant features that we can operationally maintain.
- Establish 28-30 kilometer of quality cross country skiing trails with current and relevant features that we can operationally maintain.
- Develop a sustainable business model that generates sufficient revenue to meet expenses.
- Demonstrate approximately 10% growth in users, donations, and revenue each year.
- We achieve brand awareness in the surrounding 3–6-hour radius as a destination trail system for both biking and skiing.
- Develop a culture of volunteerism and partnership with our user base.
- Establish a sustainable model of leadership, ownership, and organizational governance.
- Develop and support a proficient WinMan staff.
- Develop and maintain an understanding of our customers and prospects.

- Develop strong community relationships through outreach, trail development, and partnerships
- Focus on an exceptional customer experience and repeat visitors.

Additionally, the Advisory Board (Addendum A) worked with outside consultants (Addendum B) so that Phase Two would not only be successful but fulfill the Mission and Vision of WinMan Trails. Scott Linnenburger with Kay-Linn Enterprises was one of those consultants. Having worked on mountain bike trail designs and master plans throughout the country, he feels strongly that WinMan is well positioned to be a destination trail system. Below are portions of the assessment he provided for WinMan Trails.

“WinMan’s location places it squarely within the vehicle-based, weekend to week-long routes of millions of potential visitors. The central location of WinMan Trails combined with the broader regional outdoor recreation experiences available within day-trip distance, provides a great opportunity for WinMan to become the base camp destination of the region.”

“The development of the much broader region as a nationwide mountain biking destination, with destination quality opportunities spaced within a two-hour or less drive, is creating a new visitor market across northern Minnesota, Michigan’s Upper Peninsula, and Northern Wisconsin. WinMan Trails is located in the “hole” in those destinations that currently exists between Marquette, MI and the Cable-Hayward area. For each of these visitor markets, WinMan Trails can be a major attraction.”

Staff

Brad Kusz has served as the property manager of WinMan Trails since the Spring of 2019. His depth and breadth of knowledge as a tradesman has allowed WinMan to bring many projects and building plans in-house, saving both time and money. He has worked as a carpenter, plumber, and an electrician as well as in engine and auto body repair. Furthermore, he has been in the ski and bike industry for more than 30 years and brings not only technical skills as a bike mechanic but knowledge and experience of customers and trail users.

A full-time trail builder, Joel Kleimola, was added to the staff in 2021. Trained as a mountain bike trail builder by the nation's largest and most respected trail building contractor, Rock Solid, his vision and creative eye transforms normal terrain into trails that excite and will endure the test of time. His expertise brings a new level of commitment to maintaining a high-quality trail system that meets the needs of all our users. His machine operating skills open opportunities for future development of new trails and allows us an ability to groom and maintain our winter trail systems more thoroughly.

A new Director of Operations, Isaac Cowart, was hired in 2021 to manage and implement the strategic planning process and manage daily operations. Isaac has spent the last 12 years working as an outpatient physical therapist. He served as a clinic director for several organizations and has successfully managed clinic operations through multiple acquisitions and leadership transitions. Most recently, he managed the largest ATI Physical Therapy clinic in

Oregon with a staff of 14. He also brings nearly 20 years of mountain biking experience along with professional credentials as a Certified Run Coach, Certified Mountain Bike Instructor, and BikeFit Specialist.

Marketing Research and Brand Strategy

WinMan Trails is well positioned to enhance the Northwoods experience for residents and tourists by providing a community hub for outdoor recreation. Our position as a destination trail system is geared towards the beginner to intermediate user, as well as families, while still offering challenging features for advanced users. Throughout the year we offer opportunities for the entire family and the quality of our amenities mean that the entire group can enjoy themselves when visiting. Our location serves as an access point to both WinMan Trails as well as the Heart of Vilas County paved trail system. Located just 5 miles off Highway 51 in northern Vilas County, our trail system is easily accessed in the winter months too.

The quality of mountain biking at WinMan Trails has been recognized throughout the state as well as the upper Midwest. Our mountain bike trails provide something genuinely unique in the region. Utilizing best practice building techniques, our machine-built trails enhance the surrounding landscape and forests. Ranging from fast and flowy singletrack, to technical drops and jumps, our trails excite and inspire the rider from the moment they leave the trailhead.

Our strength as a summer trail system is for families and beginner to advanced intermediate riders. The design and quality of our mountain bike trails offer a trail riding experience that is rarely seen in the sport. Allowing kids and first-time riders an opportunity to be successful and enjoy riding their first time out. Additionally, our trail system is designed with a variety of A/B features (ability to ride around the hard stuff) allowing riders of different abilities to enjoy the same trail together and challenge more experienced riders.

In the winter months we provide a similar opportunity for skiers, fat tire bikers, and snowshoers. An exceptionally well groomed and maintained trail system that is ideal for beginner to intermediate users. Our ski trails provide a more intimate experience than many of our competitors, weaving skiers through maple, pine, and aspen stands. Our groomed double wide snowshoe trails allow users to walk side by side and make it easy for dogs to come along and enjoy the beautiful landscape too. The fat tire bike trails give riders a wide variety of terrain and options but in a looped trail system that never takes them too far from the warmth of the chalet.

Advantages

WinMan Trails possess several advantages including location, it's relationship with the community, and the natural topography that exists on our land.

- Northwoods of Wisconsin has seen increased awareness, visitors, and homeowners since the start of 2015
- Many homeowners have their second home here and historically this area has benefited from generous donations from the local community

- Located at the start of the Heart of Vilas County paved trail system we are well positioned to be a hub for outdoor activity both at our location as well as to the surrounding communities
- WinMan Trails proximity to other, well established trail systems such as CAMBA, Copper Harbor, and trails in Marquette, MI, allows us to attract visitors from a broader, nationwide level
- Soil conditions at WinMan are truly unique and lend themselves perfectly to building quality, sustainable, and well draining mountain biking trails
- Our location places us within the Lake Superior snow belt, allowing us to benefit from more frequent lake effect snow, extending the winter sport season for our users
- Users have an opportunity to experience a variety of unique forests as they traverse across the 1300 acres of WinMan Trails

Opportunities

The 2021 Outdoor Participation Trends Report, commissioned by the Outdoor Foundation, found that in 2020, 53 percent of Americans ages 6 and over participated in outdoor recreation at least once, the highest participation rate on record. Remarkably, 7.1 million more Americans participated in outdoor recreation in 2020 than in the year prior.

While some of that increase can be attributed to the impacts of COVID-19, the specific industries of mountain biking and cross-country skiing anticipate continued strong performance (Addendums C and D). We have an opportunity to further develop the user experience to make WinMan Trails the community hub we aspire to be while at the same time increasing revenue to fund operations and trail development.

- WinMan Park: Our vision includes the development of WinMan Park which will serve as an extension of the chalet. Acting as a place for all visitors to enjoy, the trailhead experience will be one that supports our community and provides an outdoor experience for everyone, even those who may not participate in our trail related activities. Adults will have a place to sit and relax while watching their children or grandchildren grow and learn new skills on our skills park. Developing this larger sense of community will also increase opportunities to generate revenue as users are encouraged to stay at WinMan Trails and purchase food, drinks, and apparel from our retail space.
- Expanded Chalet: A café with food, beer, and coffee, larger gathering spaces to meet the needs of increased user numbers, lockers and storage spaces for winter gear, and a multi-purpose meeting room to host events, teach classes, or be used as additional gathering space year-round. Through investing in a larger chalet, we open a significant opportunity for revenue generation to an already well established, and growing, user base.
- Clinics: An expanded chalet will provide us the opportunity to offer more clinics and camps throughout the year. Our trail system is the ideal setting for new mountain bikers and skiers to be exposed to these sports. A larger chalet would allow us to

host high school NICA mountain biking teams from outside the area for training camps in the summer. We could serve as a training facility for cross-country ski teams throughout the state as well as adults training for regional competitions such as the Birkie. Clinics, camps, and educational programming would provide a consistent source of revenue but also help us fulfill our vision.

- **Lodging/Camping:** By owning the land, we have opportunities to provide lodging and camping options for visitors. Occupancy rates in the region exceed 90% during the summer months which serves as a barrier for visitors from outside the region. Surveys of users at WinMan Trails support the addition of camping which would provide an economical way to visit and stay in the area. On site lodging options will give visitors a unique experience of biking or skiing directly from their campsite or cabin. Through implementing camping options on our property, we would meet a known need but also provide consistent revenue and be a unique amenity that is rarely seen at trail systems.
- **Rentals:** We have partnered with Rivers Edge as we look to expand into public/private partnerships that benefit both our users and the local economy. We are exploring expansions to that partnership to provide more bike and ski rental options in a way that meets the needs of our users, benefits us financially, but does not burden our operations or staffing models.

Sustainability

Our current operational model relies heavily on the generous donations of a few individuals. While this has allowed us to grow and expand into the trail system you experience today, it lacks sustainability. Through capital investments and taking advantage of the opportunities in front of us, WinMan Trails can develop a sustainable business.

We will expand our volunteer base to better build and maintain trails. In 2021 we placed an increased emphasis on volunteer opportunities. Collectively our volunteer base worked 600+ hours contributing back to our operations and trail building in a variety of ways. Our goal for 2022 is to grow to 1000 volunteer hours.

In the next 3-5 months we plan to transition to a public non-profit organization. This will allow us access to more grant opportunities and other donor sources.

We will implement a WinMan Membership model that creates a deeper connection between us and our users while providing a more consistent and predictable source of revenue than our current donation only model. As we continue to focus on our community and providing outdoor opportunities for everyone, membership will not be required to utilize our trail system. Instead, the focus will be on developing an even greater partnership with our users. Members will be given additional benefits and provided with enhanced communications regarding operations, trail design, and events.

Capital improvements such as an expanded chalet, lodging and camping options, and increased clinics and small events project a sustainable non-profit business by the year 2024 without the need for Gering Family Foundation donations. Instead, that money can be put towards establishing an endowment fund to support the non-profit moving forward and will act as a reserve fund for currently unknown opportunities such as land acquisition or large equipment purchases.

Addendum A: Advisory Council Members

- Rick Gering, Gene Oestreich, Jerry Wilke, Mike Bartling, Paul Egelhoff, Catherine Egelhoff, Amy Kobussen

Addendum B: Consultants

- Kristin Beischel consulted on a brand identity and brand strategy project to assist WinMan in building a successful brand and focus on long-term goals.
- Kay-Linn Enterprises was brought in to provide framework and advice for us to achieve sustainable growth. A master trail plan was designed with a focus on maximizing the available terrain and to improve the overall user experience. They also assisted in developing material to support a capital campaign and fundraising initiative which focuses on WinMan evolving into a fully sustainable non-profit.
- Julia Cogger, a landscape architect with a specialty in trailhead design, was contracted to design an improved trailhead experience that supports the vision of WinMan Trails to become a community gathering space for residents and visitors.
- HAF Architects consulted on a potential expansion of the current chalet to better meet the needs of our growing user base and to house future operational opportunities which will lead to a sustainable non-profit entity.
- Pathfinder Trail Building is assisting in the design of an improved skills park and pump track near the trailhead for bikers of all ages.

Addendum C: Growth of Mountain Biking

- In 2020, sales of front-suspension mountain bikes were up 150% and full-suspension mountain bikes grew by 92% (NPD Group)
- Anticipated continued growth of 10% worldwide between now and 2027 (Market Research Future)
- Wisconsin NICA has 72 teams and in 2019 had more than 1,200 riders with anticipated growth of 20-25% in 2020
 - Athletes spend an average of 367 hours riding their mountain bikes each year
- NICA nationally has over 20,000 athletes and over 11,000 coaches
- Minnesota's NICA league is more than 2x the size of Wisconsin's
- Bike retailers have already been asked to place orders for 2023 due to expected continued growth of the sport

Addendum D: Growth of Cross-Country Skiing and Snowshoeing

- 6% growth in cross country skiing from 2019 to 2020
- 12% growth in snowshoeing from 2019 to 2020