



SCARLET-ELITE NEWS BULLETIN

08-16-12

“Cultivating Excellence in Academics, Character and Swimming”

& NOW: THE REST OF THE STORY:

SCARLET AQUATICS PURCHASES
EQUITY INTEREST IN ULTIMATE
SWIM SHOP;

SCARLET AQUATICS WILL
MANAGE MEET DATA OF ITS
HOSTED MEETS THRU
NEW ENTITY CALLED “ULTIMATE
ATHLETIC PERFORMANCE”

As every swimmer and parent member of Scarlet-Aquatics-Elite Division knows the Elite Swim Club merged, with 3 other premier NJ Swim Clubs, into Scarlet Aquatics on April 7, 2012. This was done to put these 4 teams, now divisions, on the path to long-term viability as a business (enabling each to continue to provide & develop its swim

operations for years to come). To grow the finances of the merged teams, Scarlet Aquatics announces today that it has completed the purchase of an equity interest in **Ultimate Swim Shop**, a 20+ year old business located at 463 Main Street, Metuchen, NJ. In addition, Scarlet Aquatics announces that for the Winter 2012-2013 season, at each of the 19 meets that the 4 divisions of Scarlet Aquatics hosts it will manage its own meet data (rather than outsourcing this job) thru a new entity named "Ultimate Athletic Performance." The equity interest of Ultimate Swim Shop purchased by Scarlet is also owned thru Ultimate Athletic Performance. Each head coach of the 4 divisions is a member (partner) of Ultimate Athletic Performance, LLC.

Ultimate Swim Shop's existing partners Donna Haberman & Linda Stuto will remain as part of the management team of Ultimate Swim Shop (after all, what do 4 swim coaches know about running a swim shop?) as will Joann King, who runs the day to day operations of the store. Ultimate's website is <http://www.ultimateswimshop.com/>, the phone number is 1-800-628-7946 (or SWIM). Obviously, Scarlet Aquatics will be buying its team suits, racing caps, swim equipment and team uniforms thru Ultimate on a go-forward basis. The equity interest purchase is designed to help Ultimate Swim Shop to expand its business (especially thru its swim contacts in the areas serviced by Scarlet-Elite, Scarlet-Rutgers, Scarlet-Wave and Scarlet-Bayonne).

Members of Scarlet Aquatics-Elite Division (as well as all Scarlet divisions) are highly, highly encouraged to buy their additional swim apparel & equipment thru Ultimate (ironically, the shop will be closed from Friday, August 17 thru Sept 3 for previously planned vacations). Ultimate will also be able to provide custom t-shirts for all types of athletic and non-athletic organizations and plans to expand this part of its business going forward.

The Ultimate meet management operations will be managed by Antone Balbo, a former employee of BeSmarttinc (currently the only other meet management company in New Jersey) and who is a Scarlet-Elite parent. Antone has previously run a multitude of meets for Elite and for BeSmarttinc and his presence will give Ultimate the wherewithal to competently run Scarlet's meets. Scarlet Aquatics does not host any meets until November.

For Scarlet-Elite Coach Bill Deatly, these contemplated business moves were the motivating factors to merge Elite into Scarlet Aquatics. Coach Bill believes these moves are the financial foundation for Scarlet Aquatics to continue developing age group swimmers for decades to come.