
Please feel free to forward this to anyone you think would be interested and have them sign up on my website (www.aroljahns.com) if they would like to receive the HWI in the future. Likewise, if anyone feels they have received this email in error or feels they already get enough junk mail, simply reply to this and type "unsubscribe" as the subject heading and I will remove you from the list-serve. Thanks.

Hi all,

GREETING:

Thanks to all of you who elected to continue following my adventures in acting by receiving the Hollywood Insider and welcome to those of you who are first time readers. It has been a full year since I left my finance job and began taking acting classes, so I thought this would be a good opportunity to look back on my first year as an actor and provide a self-assessment of my progress. In order to further the analogy I made in HWI#4 of the actor as a company with a product to sell, I have written this issue as an annual report for Arol, Inc. (Also I figured it would be easier for some of you non-artistic widget-heads to follow). Of course, after each section there is the "mood meter" which is written in the 1st person and reveals my honest thoughts on each topic.

ADDRESS TO AROL, INC. (NASDAQ: AROL) SHAREHOLDERS:

Dear AROL shareholders,

What follows is the first annual report for the fiscal year ended May 28, 2002. While AROL did not turn a profit in its first year, we have pulled together many of the essential building blocks that will establish us as an up and coming artist in New York City. First and foremost we have been busy with product development. We have received top notch training from some well respected industry professionals in the areas of Scene Study, Voice, Improvisation, Commercial and Soap Opera Technique. Second, we have developed a strong marketing department. We have put to effective use the industry's calling card, the headshot, choosing three excellent shots from over four rolls taken by one of the best in the field. We also have an agent working to get our product out in the market. In addition, we have market tested the AROL product in most of the major media; film, Television and Stage. Finally, and perhaps most importantly, we have begun to construct a network of entertainment contacts that will be helpful in moving forward and gaining a presence in this market. We are pleased that you have all taken an interest in Arol, Inc. and hope that you will be a satisfied stakeholder going forward.

PRODUCT DEVELOPMENT:

For those of you have been with us from the start, you know that it has been a major goal of Arol, Inc. to find an acting coach that will take an interest in our career, not merely a factory cranking out classes taught by high school drama teachers (*see HWI#2 "Orgasm Balls and Acting Coaches"*). Despite trying several different studios and private coaches we have yet to find this elusive instructor. Part of the problem has been funding. With limited funds in Q4 of FY1 we were not able to try out some of the private acting coaches that came highly recommended to us. We hope to continue this search in FY2 as more funds become available.

Mood Meter: In terms of acting classes and coaches I am fairly pleased with what I have accomplished in my first year as an actor. I have made some poor choices including paying \$65/hour for a monologue coach and didn't come away with any monologue I can use, but I have also received some very good instruction, including scene study with Austin Pendleton (*see HWI#3 "Commercial Nightmares and the Backup Beeper"*), on-camera work with Penny Templeton and individual instruction from Andy Gale. Most importantly though I feel that I have now been around the block enough to know the good from the bad. While it would certainly be more impressive if I had Julliard or NYU's Tisch School on my resume, those multi-year programs were not a practical option for me at this stage in the game so I feel I did okay given the parameters of my situation. I give myself a B in this category. This year I hope to study with some very well respected private instructors that other actors have recommended. I also hope to expand my training to include some of the more esoteric (to me anyway) classes like movement technique and stage combat.

SALES & MARKETING:

In terms of sales and marketing Arol, Inc. has accomplished much more than many actors in the same stage of development. We have joined two of the three major performing arts unions, obtained an agent and have gained a tremendous amount of experience through auditions, performances and background work.

Marketing:

Marketing for Arol, Inc. includes the headshot, resume, agent and networking. We feel we have done well in most of these areas. Our headshots, taken by Tess Steinkolk (*see HWI#1 "Getting Started, The Basics"*) have, overall, been given rave reviews and have certainly helped in landing auditions. In FY1 we built a fairly respectable resume given the limitations of our company (age, background, etc.). While we do not have top tier acting schools on our resume, we have some well-respected names and, importantly, training in a broad range of disciplines including, voice, on-camera, commercial, scene study and improvisation. We also now have some film and theatre credits on the resume which, quality assessments aside, shows that we have been a "working" actor over the last year. Also, we have three improv performances on the resume, which is considered very valuable in many different acting media.

While we consider ourselves fortunate to have been signed by The Ann Steele Agency, in truth, we have only been sent out on 3 auditions through this agency in 8 months - one

commercial audition (*see HWI#3 "Commercial Nightmares and the Backup Beepers"*), one commercial print audition and one short film audition. Ann has not seen the AROL product in action and so may be reluctant to risk her reputation on an unknown quantity, but more significantly, Ann's bread and butter is the Broadway musical and she has very few contacts with casting directors of soaps and commercials - two markets where AROL is forecast to do well. We have considered switching agents in FY2 to one that makes a better fit. While this may not be an easy feat to accomplish, it is much easier to do so if an actor currently has representation.

In terms of auditions, AROL has been on over 100 and is now achieving an audition-to-submit ratio of over 75%. Although our audition-to-booking ratio is somewhere around 30%, we have had a number of callbacks which, like horseshoes and hand grenades, counts for something in this industry (*see HWI #8 "Anatomy of the Audition"*).

Sales:

As for selling the AROL product, we have really only been using a limited number of sales channels in a limited number of markets during the first year. We did not start auditioning until Q2 of FY1 and then only for casting calls that we had seen in Backstage magazine. Even so, we were able to achieve some sales (See financial statements). We have appeared in 3 films, 3 improv shows, 4 stage plays*, 1 opera, 1 voice-over and 1 costume character event. Most of these were paid performances, but like many start-up companies, we too chose to give away some product in order to create brand awareness. In Q1 of FY2 we have committed to giving away more of the AROL product, but beginning in Q2 FY2 we hope to cease this practice, unless it brings us something very significant in terms of brand awareness.

* Three of these were booked in FY1, but will be performed in FY2.

Networking:

As good a job as Arol, Inc. has done with networking, we need to do better. While we have made contact with most of the introductions we have received to producers, directors and other actors, it needs to be 100% and we need to follow up much more religiously than we have been doing. We have recently updated our contacts database and plan to touch base with an email or a phone call on a regular basis (once per month or every two months). On the positive side, we have established some key relationships that will hopefully bear fruit in terms of film and TV roles. Most notably, two film production/development companies - one in NY and one in LA whom we are helping to raise financing. Thanks to all of our readers who have made introductions to professionals in the business.

Mood Meter: My goals for my first year as an actor were to get training, learn the ropes in terms of knowing the best method of getting roles, and to build up a resume, primarily with some theatre credits. I plan to focus on film and television going forward, but I want to have at least some theatre credits on there. For the most part I feel good about what I have accomplished in these areas. I have a resume with some legitimate theatre credits, a few films and significant training. However, when I step back and look at some

of the projects that I am doing, I realize that they are not ultimately the kinds of projects I want to be doing. I have to be careful not to become too hooked on the exhilaration that booking a role gives me if it is not something I will be particularly challenged by. To be honest (and at the risk of sounding....well...like and actor) many/most of the opportunities listed in Backstage magazine are not projects that I should be wasting my time on. I know I have only been acting for a year, but I have come to believe that I really do have some degree of talent and I should be pushing for more significant roles in film and television. I also have as a goal to make a living as an actor. Therefore, I cannot afford to waste my time doing unpaid regional theatre. One more children's theatre credit on my resume is not going to get me much with the casting directors of Network television and soaps. I need to focus my efforts now on landing roles (including "under 5" roles) on nighttime episodic shows (like LAW AND ORDER), soaps and commercials. These pay good money and give an actor material for a "reel" - the ultimate marketing tool. I know now that I can submit, audition and book the casting calls I see in Backstage - and I must admit I get kind of a high out of it - but I have to focus now on the above, even if it means less auditions. To be blunt, one or two small roles on a soap or THIRD WATCH in FY2 will do more for me career wise than 10 roles in regional theatre. So, yes, I am happy with my progress in FY1, but I need to change gears in FY2. I give myself a B+ for headshot and resume and a B for networking.

(In case any of you were wondering about the seeming incongruity of "doing well" and a "B" grade, you have to understand that, in my academic experience, a "B" is a darn good grade! Incidentally, I hope this doesn't violate the Wharton grade non-disclosure policy.....)

FINANCIALS:

Income Statement (1):
 (US dollars....in ones unfortunately)

Revenue

Eventage Events Production	
Toys R Us	\$ 1,075.00
Pax Amicus	
"Once Upon A Time"	\$ 1,000.00
Lauren Associates	
Blythe Inc. 10K	\$ 500.00
Metropolitan Opera	
"War & Peace"	\$ 910.00
SAG Extra Work	
"Angels in America"	\$ 133.75
"25th Hour"	\$ 143.20
"Sex and the City"	\$ 125.00

Total Revenue	\$ 3,886.95
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Expenses**Headshots**

Photographer	\$ 579.90
Retouching	\$ 64.95
Reproductions	\$ 490.38
Total	\$ 1,135.23

Classes & Seminars

School for Film & TV	\$ 613.50
Actor's Connection	\$ 135.00
TVI	\$ 450.00
HB Studio	\$ 646.00
Scott Powers (comm. print)	\$ 135.00
Penny Templeton	\$ 735.00
Prudence Holmes (monologue coach)	\$ 520.00
Lynette Sheldon	\$ 190.00
Andy Gale	\$ 30.00
Total	\$ 3,454.50

Union Dues

SAG	\$ 145.00
AFTRA	\$ 1,025.00
Total	\$ 1,170.00

Miscellaneous

Books, Scripts, etc.	\$ 229.22
Printing & Postage	\$ 307.32
The Players Club	\$ 91.78
Audience Extras	\$ 85.00
Backstage	\$ 95.00
Magazine	
Backstage Online	\$ 36.91
Total	\$ 845.23

Total Expenses **\$ 6,604.96**

EBIT **\$ (2,718.01)**

Notes to financial statements:

- (1) Taxes are not taken into consideration here. A more thorough analysis would take into account taxes, but would also have to allow for tax deductions that actors/self employed take (i.e. cable bill, theatre tickets, travel, etc.). I have left this out to simplify how much I have made (gross) from my acting in FY1.
- (2) Does not include income from live music performances with ZUZU.

- (3) Does not take into account travel expenses such as subway fare and train money to and from New Jersey.

OTHER:

While Arol, Inc.'s main product is the actor, we do want to address some of the other product lines since they have taken up some space in the Hollywood Insiders.

Music:

AROL has served as NY promoter and rhythm guitarist for ZUZU, an acoustic pop/rock band whose members are friends from Bucknell University. The ZUZU gigs have been a loss leader for AROL (although the performances were paid, AROL purchased a new guitar to keep in "shape"). They have, however, been the one consistent venue where the AROL product could be viewed by friends and family - thank you to all of you shareholders who came out to support ZUZU.

Mood Meter: I had an absolute blast playing with ZUZU. While I would sincerely love to become a more accomplished guitarist and even contribute to the band with some original song writing, this would take a serious time commitment and would likely cut into my acting. I would love to continue to play with ZUZU, but we will have to see in which direction the band goes. At least, if I could continue in the capacity of a promoter (getting a cut of course!) I would be happy. I get an A- here (for effort, not for talent). Even though I didn't write or sing the songs, it was in my role as booking agent and promoter that I made the grade.

Writing:

In Q1 of FY1 AROL invested in a writing course and was enjoying writing short stories and had even started a novel. While we would love to continue developing this product line, we simply do not have the time to focus on this right now. Having said that, writing that is germane to an acting career, like a screenplay, is certainly in the plans for FY2. In fact, we have a concept for a romantic comedy and will be working on it for most of FY2.

Mood Meter: If I could be anything in the world I would be a travel writer. It combines two of my most favorite things to do. Sometimes I get down on myself because I know that if I dedicated myself more I could accomplish more in terms of writing. For example, I have been meaning to write some articles on my past adventure travel trips to use as writing samples to submit to travel magazines. I have not made time to do this yet. When I think about how difficult it is to land a job as a regular writer for any travel magazine - or even make any money as a freelance journalist, I lose interest in favor of playing soccer or going to a movie. I know that this is no way to make it as a travel writer. Hopefully in FY2 I will make time, bang out a few good pieces and then network myself into some magazines. I get a C in this category for the reasons mentioned above. It's interesting how I get my worst grade in my favorite subject.

FIRST ISSUE'S STATISTICS:

Days since becoming an "actor": 66

Number of Films: 2

Number of TV shows: 0

Number of Theater shows: 0

Number of Subscribers to the Insider: 106 (from HWI#2 - not listed for HWI#1)

Website Hits: (www.aroljahns.com): 0

THIS ISSUE'S STATISTICS:

Days since becoming an "actor": 407 (although the AROL annual report is based on only 365)

Number of Films: 3

Number of TV shows: 1 (to appear on public access cable sometime this summer)

Number of Theater shows: 4 (counting the three I am performing in this summer)

Number of Subscribers to the Insider: 140 (we lost quite a few in the resubscription effort – 192 in HWI#10)

Website Hits: 1,996

Overall Mood Meter: I have had an incredible year in terms of acting, performing and have truly enjoyed what I have been doing day-to-day. The thought of returning to investment banking leaves me completely cold. That said, the living hand-to-mouth thing has also gotten a bit stale and therefore I am anxious to ratchet things up a bit and make some money. At some point, getting a job (even a non-entertainment related job) would not be out of the question. Nor would I consider it a sellout or a failure. I think a year of full time acting has done a lot for me and I could make the hunt for acting work a full time role, but the truth is I am not currently auditioning all day, five days per week. In fact, the auditions I do have mostly take place in the evenings or on weekends so some kind of 9-5er would definitely be doable. Having some financial peace of mind does a lot for one's confidence as an actor (indeed, as a human being). Stay tuned.

Final Note: When I first started writing this newsletter my main purpose was to keep my friends and family informed about what I was doing in my new career. However, as time has passed, I have found the Insider very useful for me and my career. Firstly, it forces me to think about what I am doing, what I have done as an actor and critic it so hopefully I can learn from my mistakes rather than just letting them pass unnoticed. It also forces me to record my true feelings about what I am experiencing, something I might not deal with if not forced to articulate them. Lastly, the HWI has served as additional positive pressure for me to get off the couch and get some acting work. Knowing that I have thousands...okay, a hundred, readers out there who are waiting to hear what I've done this month serves as inspiration for me....even if all y'all aren't really waiting. Thanks to you all.