

Investment Proposal – Template

General comments

In your investment proposal you should describe how you will implement your proposal and how you intend to run your business, once set up. In other words, relay the Vision and Implementation Strategy you have of your investment proposal. Therefore, you should provide a clear answer to *at least* the following questions:

Your investment proposal should allow investors to quickly evaluate the potential of your business and decide whether to look into more detail at your investment proposal.

There is no ideal length for this document however we would expect an average size of 5-10 pages overall during this stage.

Section 1: Who are you?

Describe in detail your company and the executives or the team. Please include any executives you plan to recruit in the immediate future.

(If you are an already operating company please provide a short timeline and present your track record to date).

Section 2: What are you going to sell? (Product mix definition)

Describe in detail the service/product you will be providing.

If you are providing a *service* you will need to outline each step required to deliver that service.

If you are going to sell a *product* provide detailed specifications of how it works.

The description should be supported by information which answers the following questions:

- What type of customers will you be selling the service/product to and why will they buy it?
- How will you price your service/product?
- Who are your competitors and what do they do?
- Why is your service/product different than that of your competitors?

This section should give a clear view on why you believe there is a need for your service/product and how you plan to capture that market segment.

Section 3: How are you going to deliver?

Describe the physical infrastructure, manpower and processes that you need to deliver your service/product.

The description should outline the resources you will require to deliver the service/product described above. It should demonstrate that you understand the technical requirements to delivering the service/product to the customers you have targeted.

Use the following guidelines to structure your thoughts:

- What equipment is needed to run the business?
- What type / number of staff are needed to carry out operations? Where and how do you get suitable qualified staff?
- What is (are) the primary input(s) necessary to deliver the service/product? How do they price their products/services?
- How will your business reach customers? How will you deliver your service/product?
- What types of advertising and promotional activities are carried out?

This section should include a detailed description of the day to day running of the business from the perspective of physical, financial and human resources required.

Section 4: How will you implement your plan? (Feasibility – Marketing strategy)

Now that you described what you want to do, you need to show how you plan to deliver your proposal, and create returns for the investors.

Once you have finished the plan, review the following questions to make sure that you are comfortable with the activities you are planning to carry out.

- How aggressive is this plan?
- Is the timeframe realistic?

This is a critical section, since it will provide the investors with the information to decide whether what you are proposing is realistic. This is your chance to show that you can project manage the delivery of the investment.

Section 5: How much money will the business make? (Financial projections)

In completing this section you should cover the following:

Sales:

- a. Once you start the project, how long will it take before you start making?
- b. Once you start making sales, what will your annual sales be?

Cost:

- a. What are the costs that you will incur? Try to think of every cost that you may have to cover.
- b. How will this change as you sales increase?

Section 6: How much money do you need?

In this section you should describe how much money you expect from an investor, what share of the business you are willing to give and why you believe that a venture capital or a private equity fund is the most suitable solution for your case.

Section 7: Realistic Timetable

In this section you should describe what is a realistic timetable of the implementation of your business proposal?