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| **EXECUTIVE SUMMARY** | |
| **COMPANY NAME** | Guardian Angel Limited |
| **LOCATION** | UK |
| **INTRODUCER** |  |
| **INVESTMENT SIZE & VALUE** | **Proposal to invest up to £350k for a target stake of 5% as part of a £1.5m round** |
| **OTHER INVESTORS** |  |
| **INVESTMENT SPONSOR** | Emma Steele |
| **INVESTMENT COMMITTEE** | Fair By Design |
| **COMMITTEE DATE** | Remote |
| **VIDEO PITCH** |  |
| **Description** | |
| **Why is the business mainly for the benefit of Society?**  The reason that a large part of the UK is unprepared for death, is cost. the founder wants to allow everyone in the UK to make a plan, and not exclude anyone due to cost. Bow is free - so anyone can take ownership of their death and the plan for it. The issue the lower demographic face is that advice is often linked to a professional service professional, and they are therefore priced out of the market. The ROI on lower demographic people will more be about active community engagement, as the team see most of them entering their system via their partners (and thus already saved legal costs). | |
| **Poverty Premium Fit - Theory of Change**  **We believe that investing in a platform that can help people socialise the idea of planning for and around death will lead to fewer unexpected costs in the future:**  Funeral Poverty   * *"Bereaved families who struggle with funeral costs are taking on an average of £1,990 debt to pay for a funeral,* [*according to the 2019 Royal London National Funeral Cost Index*](https://www.royallondon.com/articles-guides/in-brief/change-on-the-horizon-for-the-funeral-industry/)*. The total amount of funeral debt in the UK has risen to £147m, a 12% increase from last year."* I assume people also borrow more from friends and family than they disclose. We plan to implement a feature to allow people to crowdfund for the funeral. * <https://www.bigissue.com/latest/social-activism/britains-secret-shame-funeral-poverty-and-the-crippling-cost-of-dying/> * CMA investigated - with no real outcome. <https://www.gov.uk/government/news/provisional-conclusions-issued-in-cma-funerals-market-investigation#:~:text=News%20story-,Provisional%20conclusions%20issued%20in%20CMA%20funerals%20market%20investigation,market%20investigation%20into%20funeral%20services.&text=The%20fees%20charged%20by%20funeral,for%20at%20least%20a%20decade.>   An issue here is that people are often unaware of the costs of dying, and death is often unexpected. If we end up talking to a focus group about this, the question is how many can afford a £3-£4k bill within 48 hours of a loved one dying. Pre-planning can really help here, as you can arrange a very simple funeral for less than £1k  In terms of being able to test for how focused Guardian Angels is in terms of our target audience - **they** aim to distribute thor will product via free will campaigns - so the cost shifts from the consumer to the charity.  KPI reporting: In regards to KPIs, they would be able to set up postcode checks and asset checks. A large part of has database has limited assets so they would also be able to ask for their net asset value. There are several charities that work with people from lower demographics and Bow can enable these charities to open up a conversation around death. While there might be other priorities for these families, there are things you can complete for free - for example, funeral wishes.  Support hubs are distributed by Funeral Directors, and they aim to add a feature that will allow people to raise money for the funeral.They can also offer this set of people, on the assumption that they are having financial issues, a list of cost-effective post-death support products. | |
| **Business Model**  With largely a commission model, they are forecasting the LTV at roughly £250. However, they have forecasted this using low product conversions. CAC below   |  |  |  |  | | --- | --- | --- | --- | |  | Year 1 | Year 2 | Year 3 | | CAC - SH | £4 | £1 | £1 | | CAC - will | £78 | £26 | £23 | | CAC - Bow | £5 | £3 | £3 |      * They forecast LTV to increase rapidly when they start to launch products like life insurance. The LTV of a life insurance client is around 3.5k. Retention will be maintained through the data Guardian Angels hold: they get access to; age, if they are in a relationship, age of their partner, age of dependents and list of financial assets. So this will enable them to offer smart recommendations based on their circumstances.   **Value Proposition** | |
| **Growth Market**   * Market size / annual revenue target (in 4 years) / market share   Wills & Probate - £1.5bn / £8.4m / 0.5%  Funeral Plans - £800m / £830k / 0.1%  Life insurance - £37bn / £2.7m / 0.01%  Using the same product split as above (percentage of our total revenues), this is how a £100m revenue business could look.   * £100m in revenue - Market size / annual targets / market share   Wills & Probate - £1.5bn / £70m / 4.7%  Funeral Plans - £800m / £6.9k / 0.87%  Life insurance - £37bn / £22m / 0.06% | |
| **Traction to Date**  **Clients**  They have had 33k visitors, and 910 registered members in total growing MOM at 68% and 52% respectively. Keep in mind this is also from only 10 active funeral directors. A D2C strategy within bereavement services, which companies like Untangled are looking at, sound good in theory but at scale very difficult. Cruse Bereavement explained its roughly 3 months before people reach out for help. From a commercial perspective, the value has now gone. They aim to convert 5% of these users into our active community - like a ‘mums net’ for death. Guardian Angels are currently converting 10% of our will users into Bow.  **Short-term Goals**  **2020**  **2021**  **Distribution Strategy**  **Suppliers:** | |
| **Team**  **Overall assessment of Team strengths and weaknesses:** | |
| **Strong Points/ Investment Highlights** | |
| **Risks**   * **Industry volatility** - * **Regulation** - * **Competition** - * **Key Man Risk** - * **Impact Risk** | |
| **Expected Returns** | |
| **Experts by Experience View** | |
| **Barrow Cadbury FBD Campaign View** | |
| **Fair by Design Team View** | |

1. **BACKGROUND**

**Why is now the right time?**

1. **COMPETITIVE LANDSCAPE**

Farewill and Beyond are their two largest ‘tech’ competitors, but the likes of Coop sit above them. Coop is 100x larger from a revenue perspective than Farewill. Coop and other large ‘later life’ planning corporates have high overheads and operational costs (due to the legal workforce), so hard for them to move into our space as it would devalue their proposition. On the tech front, Farewill and Beyond are very much sales and marketing companies, with a range of products. Neither have a central scoring tool, which we aim to become the industry standard.

1. **TECHNOLOGY**
2. **POVERTY PREMIUM**

1. **FINANCIALS**

**Unit Economics**

**3 year revenue projections**

1. **CASH RUNWAY**
2. **INVESTMENT TERMS**

**Use of Funds:**