

OXFORD CAPITAL PARTNERS

An Effective Executive Summary
Business Plan

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Executive summary—hints and tips

This is a brief guide intended to help you put together an effective business plan summary to show to investors.

A good executive summary is often enough for investors to make a decision as to whether they might be able to form a partnership with a particular business.

A cursory Google search will turn up a wealth of other information available online which should help you construct a good summary of your business plan.

Style

Be clear, consistent and concise. A set of ten good PowerPoint slides can be as effective as a 5,000-word document.

We do not care much what your summary looks like. Plain but well-written text can convey your message far better than the most elaborately formatted document. **Avoid complicated, patterned or shaded backgrounds.** If an investor prints your document, it will probably be in black and white and 2 pages to a side.

Get somebody to proof read your document, as you would for any important marketing collateral. Don't contradict yourself in different documents because investors may not have the time to work out what you really mean.

Content

The order of the points below is not intended to be prescriptive. Arrange your arguments and information in the most sensible way to get your message across.

The First Page

What do you sell and who do you sell it to? What is your product? What is your mission? This should be summarised in a single slide, statement or paragraph. You can expand on it later.

Business Model

How do you make money? Briefly outline your revenue model. How does your pricing work, and on what basis?

Problem, Pain and Solution

What problem are you solving? Who is suffering the pain? What specifically does your product do to address this pain? What then is the value to the customer of your solution? Does this tie in with pricing?

Funding

Why are you raising money? Again, you should be able to summarise this in a single paragraph. It does not need to be a detailed breakdown of every expense for the next five years, but simply stating "working capital" is not helpful. Use judgement. Why are you raising £2 million rather than £1.5 million? Have you included a safety margin or "headroom" in your figures?

How much money do you expect to raise in future if you achieve your plan? Do you have backup plans? How much money have you raised before and from whom?

Product, Intellectual Property and Technology

What is your product? How are you going to develop it? What other products are in the pipeline? What is the key technology and IP which makes your product possible?

Continued...

Executive summary—hints and tips

Content (continued)

Team

Who are the key members of your team? What have you done before? What do you see as the key weaknesses and how do you envisage developing your team as your company grows?

Market

What is your addressable market? Identify the customers and market segments *which you can reach*. Identify the key factors influencing growth.

Competitive Environment

What alternatives do your customers have to solve the problem? Who is already offering a similar product or may be offering a competing product soon? It is highly unlikely that you will not be facing any competition in your chosen market. What are the key competitive risks to your business? What are the competitive strengths which will help you win market share?

Summary Financials

A detailed 12-month cash flow is essential. Depending on the business, a three- to five-year P&L forecast is useful. It is very helpful to see a couple of years' historic figures as well as the forecasts—don't hide these. What are the key sensitivities?

Ambition

Where do you want to take your company? We seek to partner with ambitious management teams who acknowledge that investors need to realise a return on their investment. How and when do you intend them to exit your business?

Contact details

Be clear! Who is the right person to contact? Email, telephone number, fax number, mobile number, address...

File formats

Word, Excel, PowerPoint, plain text, RTF, PDF. Some investors may not be able to open the latest Microsoft .DOCX and similar formats so make use of the options in the "Save" dialogue to save in the older Office formats.

In general a PDF will be rendered on the screen better than a Word document and many venture capitalists (ourselves included) prefer reading files on screen in this format.

Avoid sending huge (>2Mb), unsolicited email attachments!

We will acknowledge receipt of your funding application.

How to Submit a Business Plan

Make it personal

One of the worst things you can do is “spam” a list of info@investor.com email addresses with large attachments! At Oxford Capital we will acknowledge such requests, but you will find that a large number of investors, quite understandably, will not.

Find out who is going to be looking at your submission. Talk to them. Research the investment criteria and geographic focus of all the firms you approach. Why would your business be a good fit with them?

One of the best ways to approach an investment firm is through a personal introduction via a mutual contact. Clearly this is not possible in the vast majority of cases and we feel that it should in no way prejudice your application if you cannot do so.

We understand and expect that you will be approaching a number of investors simultaneously.

Contact us

The best initial points of contact into our firm are:

Physical Sciences, IT, Communications and related Sustainability:

Alastair Stewart
astewart@oxcp.com
 +44 (0)1865 860 760

Healthcare, Life Sciences and related Sustainability:

Dr Michael Anstey
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General Enquiries:

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If you do not hear anything within a few days, your submission may have got caught in a spam filter. Please call us if you think this might be the case.

Likewise, please provide a telephone number as well as an email address in case our response to you gets caught in *your* spam filter.

What to send

An **executive summary** outlining what you do, why you are raising money, where you are located and who is running your company. **Financials** including a detailed 12-month cash flow and 3-year forecast P&L.

Email is the preferred medium.

Our postal address is:

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