

The executive summary is the document that formally introduces an opportunity to the investor. Arguably, the executive summary is the most important document that a business seeking an investment ever develops. Given the number of poor examples out there, one would imagine that developing an effective executive summary would be very difficult. Einstein once said: “any intelligent fool can make things bigger and more complex ... It takes a touch of genius --- and a lot of courage to move in the opposite direction.” We don’t think you need to be a genius, but it does require you to boil the business down to its most basic and essential elements. And that can be a real challenge for many people that are neck deep in the details of a business.

The three words that best describe a good executive summary are: **clear, concise, and compelling**. The executive summary should describe the business opportunity in as few words or slides as possible. From an investor perspective, the purpose of the executive summary is to provide the information they need to decide whether it is worth their while to look at the business in more detail. Therefore, the objective of the author should be to write a summary of the business that grabs the attention of the audience and is so compelling that it leaves them wanting for more. In our experience, the best format for an executive summary is a large-font slide presentation of about 11 pages.

Slide 1 – Title Page. This slide should provide the name of the company, presenters name and position, and a title that tells the audience what your company does (e.g., “we sell hotdogs”, “we secure data”, “we make computers”, etc).

Slide 2 – Problem. This slide should describe the customer pain that your business will aim to alleviate. The problem should be generally recognized, or at least understandable, by an average person. You should however have a tight definition of the problem you are solving and the customers you will be serving. Solving ‘world hunger’ is not an option!

Slide 3 – Solution. This slide should explain how your product or service would alleviate the problem and result in economic benefit to the customer. It should not be an in-depth technical explanation but rather it should succinctly describe the value proposition for end user.

Slide 4 – Business Model. This slide should show how the business would make money. It should explain who pays who, the primary cost drivers, the channels of distribution, and the gross margins. A value-stream diagram is often the best way to portray this information.

If the business model is revolutionary, comparisons to the most similarly understood models are quite useful.

Slide 5 – Key Differentiator. This slide should describe the technology, secret sauce, or magic behind your product or service. It should answer the question: why is your offering different or special enough to warrant investment? It should also indicate how easily the ‘secret sauce’ could be replicated.

Slide 6 Market Potential. This slide should describe the potential markets that your product or service could penetrate. Explain how customer requirements are being met today, how your offering could change that, and how you would approach the markets in order of priority.

Slide 7 – Foothold Market. This slide should describe the profile of your first target customers and your sales leverage points. Convince the audience that there is more than just future market potential – that there are real live customers that need and will buy your products today.

Slide 8 – Competition. This slide should provide a comprehensive view of the competitive landscape. It should describe the mainstream players as well as emerging players and technologies that might move into the market. Consider substitute technologies and players as well as direct competitors. Think about “how else could the customer have their pain alleviated?”

Slide 9 – Management Team. This slide should describe the key players in your management team, board or directors, and board of advisors, as well as your major investors.

Slide 10 – Financial Projections & Key Metrics. This slide should provide a multi-year forecast of dollars and key business metrics (e.g., transactions, bookings, etc). Take into account applicable variables such as seasonality and long sales cycles. Be sure to clearly state any important assumptions. ***This slide should also include a brief description of the size and scope of the investment you are seeking and the proposed use of the funds.***

Slide 11 – Current Status. This slide should describe the current status of the business venture, and where applicable, the technology developments enabling the business. Convince the audience that you have positive momentum. Finally, close with an idea of your next steps and indicated how the funds will be used to reduce the risk.