



THE AUTOMATED, DONE-FOR-YOU FOLLOWUP SYSTEM THAT GETS RESULTS

The company has developed an easy-to-use, affordable software system (**CLOSEM**) that helps entrepreneurs and small businesses increase sales by automating the time consuming, and often avoided, follow-up with leads, prospects, and customers. Users pay a monthly or annual subscription for the product.

CLOSEM, Inc.’s business model is centered on the rapidly expanding usage of cloud-based business automation software by small businesses looking for growth. Software as a Service (SaaS) is a particularly attractive business model for investors due to its low overhead costs and predictable, recurring revenue. SaaS startups can take on as many subscribers as they want with more or less the same fixed costs, potentially creating huge revenue. **The global market for Software as a Service (SaaS) is projected to be \$140 billion by 2022.**¹

THE PROBLEM: No time to pursue sales

It takes between 8 and 12 interactions with a prospect to close a sale, yet more than half of all salespeople give up after 2 attempts.² Studies show that sending a series of messages in a campaign over time results in 80% more sales than sending a single message. Other surveys show over 90% of business prospects prefer a text message to an email or phone call. Yet most salespeople are still doing business like it’s the last century, sending out a single email and leaving voicemails.

THE SOLUTION: Brilliant automation to do sales follow-up

CLOSEM is a breakthrough platform that combines a simple contact management system with a powerful messaging platform that allows businesspeople to immediately reply with a text message, and follow that with a campaign of text, email and even voice messages. And it does it all automatically, with true “set-it-and-forget-it” simplicity.

While businesspeople may excel at their specialty, they aren’t necessarily skilled at writing marketing messages, and normally much too busy running their business to spend time following up. What really sets CLOSEM apart is that it comes with dozens of professionally written email and text message templates in a variety of categories that users can customize to perfectly suit their needs.

Small to Medium Businesses (SMBs) across a wide range of specialties make up the bulk of CLOSEM’s regular users, along with digital service agencies who purchase private label packages to service local business customers, and vertical niche markets such as insurance agents, coaches, fitness studios, political campaigns, and many others.

PROVEN TEAM

CLOSEM has a capable management team led by two visionary entrepreneurs with proven track records in building profitable businesses, who are also experts in marketing, copywriting, and sales. **Laura Betterly** is a successful entrepreneur who has taken a company she founded public, has been the marketing genius behind many successful advertising campaigns, and was the visionary founder of PCDJ, a breakthrough digital music product, as well as the author of Local Mobile Fusion, a published course with over 30,000 students. **Richard Miles** is an entrepreneur, author of The Official Software Sales Guidebook, and has consulted with global companies such as IBM, Hitachi, Computer Associates as well as dozens of successful startups. He sold his first startup to Ingersoll-Rand, took another public in 2000, and sold a third in 2003. The company CTO is **Craig Betterly**, a highly skilled software developer and architect of the company's product development.

COMPETITIVE LANDSCAPE

The dominant player in the customer relationship management (CRM) space is **Salesforce**, which generated over \$17 billion in sales last year. It is a very capable system, expensive, with a steep learning curve that requires a heavy investment in IT support and customization. There are many other SaaS-based CRM companies, ranging from simple to complex, across a variety of price points. Many of these are focused heavily on managing sales processes, as opposed to lead follow-up. One such is Pipedrive, which boasts 90,000 users in 2020. There are a variety of messaging platforms ranging from email-only such as MailChimp, to text-only such as SimpleTexting, Textedly and others, and other combined messaging platforms such as ActiveCampaign, Infusionsoft, and others. None of these have the combination of simplicity, ease of use, and pre-written messages and campaigns that CLOSEM offers.

CURRENT STATUS

The company launched Version 1 of CLOSEM in mid-2020 for use in the US and Canada and has a community of over 300 active users who have provided valuable feedback (as well as very positive reviews). This feedback has been crucial in helping develop the specification for Version 2 of CLOSEM, due to be released in early Q3 2021. The company intends to launch another Version later in the year with International telephone services, which greatly expands the existing marketplace (approximately 30% of the inquiries are from international customers), and other breakthrough methods of marketing communications.

The company has a relationship with **AppSumo**, an online marketplace with a 1MM+ customer base, which exposes the product to a diverse worldwide consumer base, where sales have been doubling month over month since launching in October 2020. The company also has a partnership with **Lighthouse Marketing LLC**, a company with a customer base of 30,000 agents, to promote the product to their customer base in the insurance and financial planning market niche. The founders plan to expand partnerships like these with others in 2021 and beyond.

PROJECTIONS

CLOSEM intends to **satisfy the existing demand for an easy-to-use sales solution that does not require expensive IT support or training to setup, use and maintain.** The company confidently expects to rapidly scale its user base to approximately 28,000 users by year-end 2023, and confidently forecasts generating \$25,000,000 in revenue and earnings before taxes of \$11,000,000 by the end of 2023.

| CLOSEM 3-YEAR PRO-FORMA | 2021 | 2022 | 2023 |
|--------------------------------------|--------------------|---------------------|---------------------|
| Users at year end | 2,846 | 16,530 | 28,100 |
| INCOME | \$1,652,803 | \$12,258,630 | \$25,236,392 |
| Cost of Goods Sold | \$326,674 | \$2,451,726 | \$5,047,278 |
| Operating Income | \$1,326,130 | \$9,806,904 | \$20,189,113 |
| EXPENSES | | | |
| Overhead | \$62,282 | \$72,000 | \$200,000 |
| Advertising & Marketing | \$310,772 | \$2,400,000 | \$3,600,000 |
| Development Contractors | \$138,233 | \$240,000 | \$480,000 |
| Admin, Marketing & Other Contractors | \$164,250 | \$1,224,000 | \$1,709,000 |
| Salaries & Benefits | \$435,342 | \$1,644,150 | \$2,487,500 |
| Miscellaneous | \$14,200 | \$60,000 | \$420,000 |
| TOTAL EXPENSES | \$1,125,079 | \$5,640,150 | \$8,896,500 |
| EBIDTA | \$201,051 | \$4,166,754 | \$11,292,613 |

1 Gartner Group
2 Baylor University