

# Checklist and Example to Write an Investor Update

Source: Kaego Rust from StartupGrowth

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## Guidelines for Investor Updates

Set a standard frequency and format for your investor updates.

- ❑ **Frequency** — Send updates monthly/quarterly and annually (e.g., monthly + annually for businesses less than \$3M/yr sales; quarterly + annually for businesses more than \$3M/yr sales).
- ❑ **Length** — Keep updates brief, to hold the audience's attention and to make the task of writing one simpler (e.g., aim for 250–750 words for monthly/quarterly)
- ❑ **Prep** — Draft the update ~1–2 weeks in advance, to avoid missing a scheduled communication and to stay consistent. Work closely with your team to ensure you have financial and product metrics ready ahead of time.
- ❑ **Format** — Use a simple email format, for ease of readability. Most investors will not click or view an attachment, which reduces your readership.
- ❑ **Transparency and Tone** — Be honest about your wins and losses alike, knowing that investors may respond with difficult questions.
- ❑ **Archiving** — Save your investor updates. Use your prior period's update as a template to create a new one, which is much easier than starting from scratch.

## Components of Investor Updates

Give your investors a snapshot of the last period, plus any changes you need to make for your future strategy.

- ❑ **Highlights of Last Period** — Start with a few sentences about any significant changes to the business or fundraising since the last communication.
- ❑ **Performance, Revenue, and Growth** — Give key metrics of revenue and growth, plus why they are performing as such based on your business structure.

- ❑ **Requests for Help** — Ask for help. Remember, your investors want you to succeed, but they need specific requests from you to be effective.
- ❑ **Sales and Marketing** — Report any changes to your sales pipeline, plus number of clients reached and closed. Mention any developments in your marketing, branding, and PR initiatives.
- ❑ **Operations** — Describe any significant cost cutting measures you've taken. Be sure to call attention to any HR matters that may expose your business and investors to lawsuits.
- ❑ **Strategy and Milestones** — Share milestones you've hit and those pending. In addition, state if you are continuing with the original strategy pitched to investors or if there will be adjustments.
- ❑ **Upcoming Fundraises** — Mention if you'll be fundraising soon (equity or debt). This helps you identify investors interested in giving more capital or getting introductions to potential investors.
- ❑ **Good News, Releases, Press, Investor Spotlights** — Include positive press, client testimonials, and recent news. Plus, spotlight investors who've been helpful to show your appreciation. Include a schedule of upcoming engagements, for example team events, where your investors can attend, if applicable.

## Investor Update Example

*Hello All,*

*Please see the Q4 update for ACMEco below.*

*Highlights: In Q4 we won two new clients, Costco and Walmart — projecting \$100K in sales by year end. We continue to focus on regaining business stability, challenged by minimum wage hikes and the closure of our Los Angeles operations.*

*Performance: Revenue grew in Q4 versus Q3 by 42%, with quarterly gross sales of \$500K from \$350K; large events were a big contributor during the holiday months. This brings annual gross sales to \$1.5M, and we expect to outperform competitors 2x next quarter with 55% growth.*

*Requests: As always, please send along any leads or referrals of clients looking for private events. Media intros also welcomed, in particular we'd appreciate an intro to*

*Forbes if you have one. Thank you.*

*Sales & Marketing: On November 15th, we launched our partner program with finance companies like Goldman Sachs, which is currently working — bringing in 1.5x additional foot traffic at test locations.*

*Operations: We are in the process of renegotiating our vendor contract with Square, projecting a \$2K/month savings if successful.*

*Strategy: With our Los Angeles operations winding down, we plan to push on expansion through Northern California in the next quarter.*

*Upcoming Schedule: We will begin raising our Series C round of \$50M next month.*

*News: We were recently featured in the SF Chronicle [insert link], and excited to see clients like Google interested in our offerings. Here's a customer quote from the article: "ACMEco has the best quality products I've seen in decades." — Google Executive*

*If you have questions or feedback, please do not hesitate to contact me.*

*Thank you,  
[Managing Partner/CEO/Founder]*