

Fleet Case Study



Join the Fleet!



€275,000

Campaign
Target



€384,500

Amount
Raised



€1.1m

Pre-money
Valuation



20%

Equity
Offered



132

Number of
Investors



€2,912.8

Average
Amount
Invested



45 days

Campaign
Duration

Campaign Overview

Fleet launched an equity crowdfunding campaign on the Spark Crowdfunding platform in August 2018 with a view to raising €275,000. The pre-money valuation was €1.1 million.

Within 3 days, the campaign had reached 15% of its target amount, attracting investment from a pool of Irish and international investors. The full target was reached within 23 days of the campaign going live.

The campaign was scheduled to run for 30 days, by which stage Fleet had achieved 140% of their target. As there was still good demand for the shares, Fleet had the option to extend the campaign for a few extra days, but decided to close it after 30 days, having reached an amount of €384,550.

Company Background

Launched in June 2017, Fleet enables private car owners to hire out their cars, monetising underutilised vehicles amid what CEO and founder Maurice Sheehy described as a backdrop of change in the motoring industry and rising ownership costs.

Users can add their cars to the Fleet app, set their rental price and make them available to other users at a daily rate. Fleet takes a service fee from users. Cars currently available through Fleet's platform typically come with a daily rental charge of between €30 and €50. The start-up has over 15,000 people who have created accounts on the service to date, while currently it has about 2,850 monthly users with over 65% having made a second transaction.

Campaign Rationale

The start-up decided to raise money in August 2018 for further product development and marketing purposes. They wanted to increase their target base to a wider population. While Maurice Sheehy initially thought of applying for a bank loan, he was interested in the concept of equity crowdfunding and was aware that it operated in a similar way to the popular television programme Dragons' Den.

Irish Database of Investors

Maurice discovered Spark Crowdfunding through an online search and what appealed to him most was that Spark Crowdfunding is the only Irish based equity crowdfunding company, with a large database of Irish investors.

Fleet is an EIS approved company, which meant that Irish taxpayers were able to reclaim 40% of their investment in the form of a tax rebate, which essentially meant that they were investing at a 40% discount to the pre-money valuation of €1.1m.

It's More Than Just Money!

In addition to raising the funds, what appealed to Fleet about an equity crowdfunding campaign was the ability to simultaneously generate considerable media exposure for the company and its products as the campaign evolved. Fleet achieved widespread media exposure in all of the leading publications, some of which may be viewed here:

- Irish Times: <https://www.irishtimes.com/business/technology/irish-start-up-fleet-test-drives-new-equity-crowdfunding-platform-1.3583228>
- Independent: <https://www.independent.ie/business/irish/carsharing-firm-fleet-in-crowdfunding-drive-37229329.html>

Securing so many investors also helped Fleet to validate their product and improve their understanding of the market potential.

Application Process

The Spark Crowdfunding campaign application process is very straightforward. Fleet made initial contact using the form on the website. A follow up call clarified what Fleet were looking to raise and the use to which the funds would be put. Fleet were then invited to complete the standard Campaign Application Form, which captures the history of the business and its promoters, and the company's strategic plans. On receipt of this, the Spark Crowdfunding team evaluated the proposition and deemed it likely to appeal to the certified investors on the Spark database. Fleet were then required to provide a number of items as part of the due diligence process, including their Memorandum and Articles of Association, Cap Table, Tax Clearance Certificate, Promoter CVs and Management Accounts.

On satisfactory review of these, Fleet commenced the preparation of the three core elements of an equity crowdfunding campaign, namely the Investor Slide Deck, the Campaign Video and the Long Form Report, each of which addressed the key question an investor would ask: 'Why should I invest in this company?'

The entire application process took approximately two weeks, although this can be shortened for companies that have most of the above preparatory work done previously.

Campaign Promotion

The day the campaign launched a Press Release was circulated to a wide range of Irish media outlets. All of the major media organisations, including The Irish Times, Irish Independent, The Sunday Business Post and RTE TV and Radio covered the story. A strong social media campaign, on Twitter, LinkedIn and Facebook, complemented the traditional media exposure. Regular updates on the progress of the campaign were provided as the campaign evolved, ensuring that key milestones were achieved and the campaign was always ahead of the target curve.

In addition to the Fleet campaign promotion initiatives, Spark Crowdfunding used a mix of digital and traditional media to promote the campaign once it went live. All the Spark registered users were sent notifications about the progress of the campaign. Personalized emails were sent to over 1000+ users bi-weekly. These emails were the most effective marketing tool. The '7 Reasons to Consider an Investment in Fleet' resonated particularly strongly with investors, as this email captured in bullet point format the core of the investment thesis.

An important consideration was the fact that Fleet is EIS approved, meaning investors were able to reclaim a tax rebate of 40% of their Investment. An investment of €1,000 qualified for a €300 rebate in year one and an additional €100 in year four.

When asked about his overall experience crowdfunding and with Spark Crowdfunding, Maurice Sheehy said: *"We couldn't be happier with how our crowdfunding campaign has gone. Over 100 investors have now backed us, showing that there is widespread support for our product in the business community in Ireland. What impressed us most about Spark was their product and market knowledge. We'd be happy to recommend them to other companies looking to raise early stage funding"*.

Investor Details



19 81

Gender
(in %)



Average Age



Location
(in %)

Contact Us

If your business, early stage or otherwise, would be interested in raising new funds for growth from a wide pool of Irish investors, in return for a stake in your company, come and talk to us at Spark Crowdfunding today. Email us at info@sparkcrowdfunding.com

In addition to explaining how the process works, we can assist you with company valuation, campaign design and campaign promotion. We'd look forward to hearing from you!