
Project Brief

PROJECT PURE PROTEIN



**A RARE OPPORTUNITY TO ACQUIRE A LIFESTYLE PRODUCTS AND
SUPPORT BUSINESS WITH EXCITING DEVELOPMENT POTENTIAL**

BFS Ref.: PP/446

**Finance: £50,000 to purchase the
business**

Summary

The entrepreneurial founder of the business has a vision to develop a goal-focused brand business under the name 'Pure' that combines high quality sports supplements with tailored diet and exercise programmes in order for individuals to achieve and sustain their personal fitness goals

The foundations for the business have been well set, having formulated and launched, a range of high quality whey protein products. Initial sales have been primarily on-line through the business website that incorporates full merchandising e-commerce facility. The business also has integrated warehouse and stock control systems and the ability to run customer loyalty programmes

Having established the business within his existing marketing and consultancy company other projects have resulted in the founder not having the time to develop the business to fulfil its potential. A new company has been formed and although currently dormant it is proposed that the assets of the existing business would be transferred into the new company as part of a business sale. The founder would consider remaining involved to help with the development of the business on a consultancy basis but on the understanding that any investor would take on the day to day running of the business.

This business is 'in the moment' in terms of nutrition and fitness and could present the right party with an excellent opportunity to build a business from a solid platform. It also offers an excellent opportunity for someone in the personal trainer/ fitness/lifestyle sectors to develop a network of associates around the country to offer personalised programmes alongside the company's products. Building brand 'Pure' would give rise to income opportunities from product sales, personal training/fitness/lifestyle support and even branded fitness wear.



The business also has the potential to be packaged as a franchise business.

The Products

To-date the company has launched a range of flavoured pure whey protein shake powders with NO thickeners or fillers, ONLY natural flavours and colourings. The products have strong brand potential with specifically targeted benefits

- **Puregain** – gain quality muscle bulk
- **Purelean** – build lean and defined muscle, diet aid
- **Purefuel** – fuel to your muscles, aids recovery

In addition the company have a range of supplements

- **Pureburn** – lose those extra pounds fast
- **Creatine EE** – supercharged muscle power boost
- **Creatine MH** – sustained energy and performance



There are many protein products on the market place but the concept behind this business was not just the supply of the products but to build a relationship with their customers by integrating personal fitness records and programs including incentives with approved local personal trainers. The website is designed to provide on-line training tips and advice.

It is believed that the products and concept could be evolved to target specific sports such as cycling or triathlon for example.

The Market

In 2012 Key Note Ltd forecast that the UK Sports nutrition market would grow by 34.7% by 2016 with the estimated size of the market increasing from £274m to £369m in terms of retail selling price

Traditionally the majority of sports nutrition products have been consumed almost solely by professional bodybuilders and athletes

In recent years products are increasingly being distributed through supermarkets, specialist health chains and other mas-market channels.

Driven by the trend towards greater health awareness and the demand for convenience sports nutrition products are finding an expanding consumer base among amateur athletes, weekend sports enthusiasts, lifestyle users and other health-conscious consumers

According to The Leisure Database Company over 12.5% of the UK population are registered members of private health and fitness clubs or publicly owned leisure and fitness facilities. This equates to circa 4.5m adults in the UK. Whilst a small share of this market would prove fruitful the training support and advice offered through the website could prove attractive to a greater audience through those who are not members of leisure facilities.

PURE



Target Market Profile

Typical customers for the Pure Range:

- Consider exercise recreational rather than a lifestyle choice
- Visit the gym 2 or 3 times a week
- Less informed in terms of specific products requirements
- Understand the importance of nutrition in maintaining a healthy diet
- Tend to favour convenient easy to understand solutions
- Average basket size of purchase £40-£50
- Increased convergence between fitness, diet and support

The potential to extend the above 'target profile' is enormous as the Government increase their message relating to obesity and diabetes type 2. With GP's being encouraged to 'toughen up' their message to patients about the importance of them

taking control of their nutrition and fitness habits the marketing opportunities for the 'Pure' brand could be substantial.

Competition

The key players in the market place are:

- Maximuscle 37%
- Nutrisport 11%
- Myprotein 9-10%
- Reflex 9%
- CNP 9%
- Others 25%

The premium priced product in the market place is Maximuscle based on a 2.5Kg bag of whey protein concentrate selling at £29.99. Nutrisport and Myprotein come in around the £20 mark. Pure is pitched at £26 which is lower than inferior quality products but aimed to present a competitive offering.

Whilst the product sales market is well established, very few of the product suppliers encourage their customers to maximising the benefits of the products by providing training and lifestyle support through local personal trainers/ 'brand ambassadors'.



Financials

As a result of the business evolving through the founders existing business no divisional accounts have been prepared as expenditure to develop the business has been absorbed into the business.

It is proposed that any prospective purchaser/investor would pay an agreed price for the assets being transferred into the new company and the founder may consider a small element of deferred consideration linked to future sales.

The Opportunity

The foundations have been laid for someone to take on a fantastic platform to develop a sports nutrition and fitness/lifestyle brand business by acquiring the following assets:

- Brand name
- Proven products
- Website with full merchandising and e-commerce facilities
- Excellent stock control system
- The existing customer base and loyalty programme facilities
- Stock of finished products
- Potential on-going consultancy support from founder

The founder is convinced that the concept behind this business opportunity is exciting but unfortunately other challenges prohibit him from having the time and resources to take this business forward to fulfil its considerable potential.

To discuss this opportunity in more detail please contact:

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