PITCHING TO INVESTORS OR PARTNERS
PITCH THEN PLAN

Arthur A. Boni, Ph. D.
John R. Thorne Distinguished Career Professor of Entrepreneurship
Tepper School of Business
Carnegie Mellon University
QUOTE

• Regis McKenna
• “You never get a second chance to make a first impression”
START WITH THE ELEVATOR PITCH

• Get attention in first “10 seconds” – highlight what you do and why it’s important
• In the next minute, give a top level summary:
  • The opportunity – it’s big and unsolved
  • Your solution - its uniqueness and your competitive advantage
  • Who is the customer and why do they care – what value do you create?
  • How you are going to make money?
  • Why this team/company?
POSITIONING STATEMENT

Market Definition
Job, executor, context

Solution

Value/Compelling reason to buy

Competitive position

Differentiation

• For (target customer)
• Who (statement of need or opportunity)
• The (product name) is a (product category)

• That (statement of key benefit – compelling reason to buy)
• Unlike (state our primary competitive advantage)
• Our product (statement of primary differentiation)

Primary Benefit/Advantage

Differentiator

Attribute needed by category
Know your audience
Stay short and focused
Clarify statements with business relevance
Pitch a Business

Anticipate their questions
Kawasaki rule
10 slides
20 min
30 pt font
Can pitch product to partner
Answer – so what?

Anatomy of a Pitch
The Ten Necessary Slides
PITCH THEN PLAN

• Work up your Pitch
  • Then rework it with practice to multiple audiences
  • Then write your executive summary
  • Then write your business plan
• Plans don’t sell opportunities, people do (via a Pitch)
  • But plans show that you understand how your business works
Building Blocks for a Winning Business

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TITLE

- Organization name, address, title, contact information
- Give your elevator pitch – get their attention
  - State your current funding/need (follow on or not) and what you will accomplish with this tranche
  - Strength of the team
PROBLEM – CLEAR AND COMPELLING

• What market need is addressed - customer “pain” you are taking away?
  • How it is addressed today
  • What gaps exist
  • Identify the customers with this need
• The problem is big, growing, real and not being well served
SOLUTION

• Explain your product/service offering
  • How does it work?
  • Evidence that it does work (outcomes)
• Discuss the uniqueness and the value being created (be specific)
• What is the long-term opportunity?
  • *(partner, what are the synergies?)*
BUSINESS MODEL

• Who are your customers?
  • How many? Value proposition
• How do you provide the channels to customers? Partner? (how does it work?)
• Organizational design
  • Where do you sit in the value chain?
• How do you make money (revenue model and margins)?
TECHNOLOGY

• Explain the secret sauce or underlying magic – in simple terms
  • Partners want deeper dive than VCs

• Why is it unique, differentiable, and sustainable?
  • How is it protected?

• Current status of IP

• Current status of the technology development and demo results
MARKETING AND SALES

- **Market**: size, growth
  - Validate the need (importance and lack of satisfaction), willingness to pay (someone)
- **What are your market segments?**
  - Market entry target segment and why
  - What are your market share goals?
  - What will drive adoption?
- **How do you acquire your customers**, convince them to buy, and retain them?
  - How much does it cost? How long?
  - Are there any regulatory and payment issues?
COMPETITION

• Overview competitive landscape – current players, potential new entrants with competing technologies, alternatives.
  • How to position vs. competition?
  • Note barriers to entry
  • How will the competition respond to your entry and growth?
MANAGEMENT TEAM

• List your team, their relevant experience and expertise
  • board
  • advisors
  • current investors if any
• Recognize the gaps in your team and talk about how they will be filled.
FINANCIAL PROJECTIONS

- Pro Forma Projections (5 years)
  - P&L (revenues, costs, margins)
  - Cash Flow (burn rate, breakeven, profit)
- In Backup
  - Balance Sheet
    - Dollars, key metrics (customers, products sold, $ of revenue for key cost elements)
    - Bottoms up forecasts!
    - Key assumptions, e.g. sales cycles, seasonality, etc.
**CURRENT STATUS**

- Key milestones met to date
- Future tasks and milestones – development, IP, clinical, team, etc.)
- Financing needed and uses
  - Highlight value creation and risk reduction
- (Exit strategy) → how do they get their money back, when and anticipated IRR?
NEXT STEPS

• End with a set of next steps
  • Site visit/demo
  • List of references for due diligence
  • MOU/Term Sheet