PITCHING TO INVESTORS OR PARTNERS
PITCH THEN PLAN

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QUOTE

• "You never get a second chance to make a first impression"

• Regis McKenna
  • Famous for marketing and promoting tech (Apple, Intel) and biotech (Genentech) in Silicon Valley
START WITH THE ELEVATOR PITCH

• Get attention in first “10 to 20 seconds” – highlight what you do, why it’s important, and why current solutions are not satisfying the identified need

• 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, and Why now?
POSITIONING STATEMENT

Market Definition
Job, executor, context

Solution

Value/Compelling reason to buy

Competitive position

Differentiation

Primary Benefit/Advantage

Differentiator

Attribute needed by category

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)
Know your audience
Pitch a Business
Stay short and focused
Clarify statements with business relevance

Anticipate their questions
Can pitch product to partner
Kawasaki rule
10 slides
20 min
30 pt font

Answer – so what?

Anatomy of a Pitch
The Ten Necessary Topics

10, 20 30 rule of Guy Kawasaki
Ref. “The Art of the Start”

10 slides
20 minutes
30 point font
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
  • Use persona to highlight the need – tell the story
  • State your current funding/need (follow on or not) and what you will accomplish with this tranche – what next value inflection point will you reach?
  • Strength of the team
PROBLEM – CLEAR & 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)
  • “3 to 10x” value or “3 to 10x” lower price”
• What is the long-term opportunity?
  • (partner, what are the synergies?)
BUSINESS MODEL (EVOLVING)

• Who are your customers? How many?
  • Unique Value proposition
• How do you provide the channels/communications 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 in pitch
  • Due Diligence will include (in-depth) technology/IP discussions
• 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
  - Patient profile, incidence, treatment methods
• **What are your market segments?**
  - Market entry target segment and why
  - What are your market share goals?
  - What will drive adoption? Barriers?
• **How do you acquire your customers**, convince them to buy, and retain them?
  - How much does it cost? How long?
  - For biotech, what are the Reimbursement & Regulatory 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 to demonstrate how the business works and sensitivities
  - 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
REFERENCES
