

## Pitching Checklist

### Preparing for the 10-minute Short Company Pitch

You will be given exactly 10 minutes to make a PowerPoint pitch of your business idea. You will only be given 10 minutes. If you use up your 10 minutes, you will be cut off abruptly. So time yourself and practice. We will only listen to the first 10 minutes. You will not be interrupted in your 10 minutes unless something bad happens. The next 10 minutes will be dedicated to Q&A.

If you have points that you cannot make during the 10 minutes presentation, be sure to design your pitch to cause the committee to ask you the right questions so you get the chance to make those points. Time is your enemy and is your friend. It is up to you to use it wisely and to your advantage. The committee will be focused on weaknesses, and some of the best ways to deal with weaknesses is to show the committee you are aware of them and thinking about them. We do not expect you to have solved the problems or figured out the formula for success, but we need to see that you are thinking critically about the business and that you are being realistic with yourself and would-be investors about the prospects. An honest assessment of the market opportunity and advantages and threats is much better than a deceptive pitch that makes everything look rosy. You are speaking to experienced investors and managers who have been through it all before. They have seen every trick in the book, so don't get cute! Be straightforward and show the committee you respect their intelligence, experience, and TIME!

There are 3 kinds of pitches:

1. The Elevator pitch (2 minutes with no slides or material to show, 1 min Q&A maybe)
2. The Short pitch – with slides and a chance to show prototype, design, screen shots, etc (10 minutes + Q&A)
3. The full pitch – with slides, financial models, detailed projections and product demo or scenarios analysis, SWOT analysis, competitive analysis and a business plan (1-2 hours and many days of discussions and presentations and repetitions).

We are aiming at type 2 above. A great way to give a type 2 presentation is to be have carefully prepared Type 1 anyway. That exercise will help you crystallize your thinking and will make the 10 minutes feel like a very long time. If 10 minutes feels too short, then you are not getting the purpose of the pitch. Practice more and refine the talk until you are very comfortable. The trick is to cover the check list of items below. If you miss one of them, consider yourself failed.

### Here are some guidelines:

What they want	What's your goal – What they should learn
<p>Are Investors interested in “learning” about you or your idea? <b>NO!</b></p> <p><i>Pitch, don't “teach” them about your business. They are not here to be educated: they are to be sold on the idea and the team!</i></p>	<p>Get them excited about the opportunity</p> <p>Focus only on the things you know investors care about</p> <p>Present an <u>easy-to-repeat</u> story they can take to their partners:</p> <p><b><i>They need to know how to give YOUR elevator pitch to a colleague or boss. Help them be your champion</i></b></p>
<p>What do investors care about?</p> <p>-- <i>Show them you understand customer need.</i></p> <p>-- <i>Show them you understand the market size and business opportunity</i></p> <p>-- <i>Show them you know your competitors and the SWOT</i></p>	<p>Basic value proposition – unique solution to a big problem, what is the value to end-user or customer?</p> <p>Target market – whose problem does it solve? How many customers are there? How much would they value/pay for your product?</p> <p>Competitive advantage – why do you solve it better than anyone else? How hard is it for others to copy you?</p>

### **You have only 10 minutes in the initial pitch:**

- Hit the burning questions early and effectively or the investor won't hear anything else you say
- Leave time to address the investor's specific questions and concerns
- Make back-up slides that you can use if particular questions come up
- If you get interrupted in the first few minutes, did the investor get the overview and the opportunity?
- Are you certain they got the elevator pitch?
- Why are you different? What are your unique strengths: team, product, technology, market, approach...

### **Check List for Content of 10 minute pitch**

Category	What to cover	✓
<b>Overview</b>	Short description of the business – the 1 sentence summary and the elevator pitch	
	Value proposition – what is the customer pain you address?	
	Who is the team? 1 minute about each founder	
<b>Solution</b>	What is your solution? How does it directly address the need? Why is it differentiated from other solutions/products?	
<b>Competition</b>	1 slide showing who competitors are and how they compare to you: A Moon Chart, or a 2-D scatter plot	
	what are the barriers to entry for new companies?	

	How “sticky” is your business? (i.e., how difficult/expensive is it for customers to switch to competitors)	
<b>Target Market and Opportunity</b>	Who is your target customer? How many segments of customers? How many customers? How much would each pay for your product(s)?	
<b>Business Model</b>	How do you make money?	
	What is your growth over the next 3 years	
	What is your gross margin? Do you know what net margin would be?	
<b>Funds Needed</b>	How much capital do you want to raise now?	
	How will you use this capital? How long will it last?	
<b>Summary</b>	Why should investors remember you? Why should they invest? What is the return or exit?	

***So check the checklist many times before you decide you are ready. Have a friend assess it for you. Listen to their feedback. Seek help from a mentor or experienced investor if needed. Go on the web and find example short pitches. Ask for help!***

**Here is an article adapted from Geri Stengel. We made our own changes to customize it.**

We borrowed the material from the website: [http://www.stengelsolutions.com/tips\\_2.htm](http://www.stengelsolutions.com/tips_2.htm) and we made our own modifications to it. Hopefully you will find it helpful. With our thanks to G. Stengel

### ***Pitching is an art, but there is science to it, too.***

The art is how you work the room, the way in which you convey your enthusiasm and show your skill as a presenter. The science lies in the format of the presentation and your use of PowerPoint/flip chart/slides, which is formulaic. These tips are intended to provide insight into both the art and the science of presenting to investors.

1. ***Be Brief:*** Your overview presentation should be no longer than 10 to 12 slides. Your prepared comments should take no more than 10 minutes to deliver. You may think it's impossible to condense your message. ***It's not only possible – it's critical.***
2. ***Be Organized:*** Divide your presentation into sections. Open with a summary. Follow with the meat of the plan (the problem, the solution, the market, etc.). Then, cover the management team. Conclude with the financials and a call to action that states how much money you want.
3. ***Arouse Interest Immediately:*** *Because investors make their decision in the first 30 seconds of your presentation,* start your pitch by telling them everything you are going to tell them. Make sure you cover the market potential and the share of market you expect to capture; the need for your product or service; the ways in which your business will transform that need into a business opportunity; your competitive edge; and the amount of money you'll need.
4. ***Provide Substance:***
  - ***Define the Market and Its Potential:*** Investors want to know that you understand the market and that the market has big potential. Describe its size, characteristics, growth potential and trends.
  - ***Solve a Problem:*** Avoid sounding like a solution in search of a problem;

you must solve a serious business problem. Venture capitalists and angels don't fund companies that provide nice-to-have products and services. They must believe the target market can't live without you.

- **Turn the Problem into Opportunity:** Every problem offers the opportunity for a solution. Once you've presented your prognosis, lay out your prescription. Boil down the unique elements of your approach.
- **Analyze Your Competition and State Your Advantage:** Nothing irritates an investor more than hearing you say that you have no competition or discovering an unmentioned competitor during due diligence. (Frankly, having no competition usually means that there is no market.) Explain who your competitors are, explore their strengths and weaknesses and detail your sustainable competitive edge. Describe your ownership of any patents, copyrights, proprietary processes or technology, exclusive licenses or agreements. Discuss core competencies that would be cost prohibitive for the competition to develop. If you have a first-mover advantage, trumpet it.
- **Describe the business:** Outline the features, capabilities and revenue streams of your product or service.
- **Marketing Strategy:** Describe the strategies you'll use to reach the target market – positioning, pricing, distribution channels, sales, advertising and publicity. Include strategic alliances that help you penetrate the market faster.

5. **Project Solid Management Expertise:** The strength of your management team is absolutely critical to your success and to your ability to raise venture and angel financing. VCs and angels invest in people, not just ideas on paper. They want to be sure that your team can deliver. Highlight management's experience, industry knowledge and functional skills.
6. **Conclude with a Call to Action:** Always end your pitch with a call to action: the amount of money you want. You build to this conclusion by telling investors how you plan on spending the money, how much money you're going to make and when you will be profitable. Be sure to include the investor's exit strategy.
7. **Make Your Presentation Tangible:** Throughout your pitch, talk in specifics – not abstractions. Keeping it tangible means using plain language that the man on the street can understand. Avoid industry buzz words and MBA- and tech-speak. They're useful as shorthand, but they're also a way of excluding many people.
8. **Make Your Slides Readable:** Use bullets. Make your points concisely. The type size should be large enough to be read at the distance the audience will be from the presentation. Use all upper case letters sparingly. For the most part, use upper and lower case letters for easier readability, especially on the body text of your slides. Use a type color that stands out from the background color to further increase readability. Graphics can help make your slides more interesting, but don't overload the slide.
9. **Prepare and Practice:** Develop a list of questions you might be asked and answer them in advance. Base your list on prior investor presentations and other meetings and conversations you have had about your business. If you're presenting as a team, agree beforehand who will cover which topics and who is responsible for

answering what types of questions. If you're presenting alone but your management team is in the audience, let them answer detailed questions in their areas of expertise. Practice! Practice! Practice!

10. ***Show Your Passion:*** A good presentation excites and energizes the audience. Of course the financials, the competitive advantage, the market potential and the idea are important, but you also must show that you have a fire in your belly, a passion to succeed at something that's never been done before. That passion must come across. If you can't get the audience charged about your plan, it's over. Also remember that you have to look like you enjoy and can handle the challenge. Have fun during the presentation!