



## The Pitch

# How to Present Your Case to Potential Investors



# Overview

- Describe the company and its status.
- Introduce the company's stakeholders.
- Who have been the investors, and how much was raised.
- Describe the company's technology, IP and product.
- Summarize the target market, size and growth potential.
- Summarize past activities and results, if any.
- State how much money is needed, and over what period.
- Explain what is in it for the investor.

WHY SHOULD AN INVESTOR BE LISTENING TO YOU?  
SUMMARIZE THE STATUS OF YOUR COMPANY AND TECHNOLOGY.

# The Problem or “Pain”

- Describe the problem.
- Why does the problem exist?
- Why has no one solved this problem before?
- Why and how do think you can address this problem?
- What advantages do you have in solving this problem?
- What specific benefits can you offer?
- Summarize your “needs research” with market & user feedback.
- What barriers and objections have you met so far?

AN INVESTOR WANTS TO UNDERSTAND THAT YOUR COMPANY IS SOLVING A PROBLEM THAT REALLY EXISTS AND THAT YOU HAVE THE PRODUCT TO SOLVE IT.

# The Solution

- At what stage are you?
- Pictures of your product/technology in action.
- Infrastructure before & after your technology is implemented.
- Visual/chart on how your technology works.
- Explain what your product does, e.g. *“It will enable precise localization and real-time guidance for orthopedic implantations”*.
- Explain why this is an improvement, e.g. *“The procedure is non-invasive and can therefore be performed on an out-patient basis”*.
- Is your technology defensible and do you have an expert opinion?

FOCUS MORE ON WHAT YOUR SOLUTION DOES VERSUS HOW IT DOES IT.  
TALK ABOUT BENEFITS - NOT JUST FEATURES - AND DON'T GO TOO DEEP INTO  
TECHNICAL DETAILS UNLESS THE INVESTOR SHOWS A REAL INTEREST.

# The Market

- How big is the problem you are solving?
- Is your product a “nice-to-have” or a “must-have” item?
- Quantify this problem.
- Use a ‘bottom-up’ approach, like *“Our focus will be the carotid endarterectomy market, a niche market with a €1 billion potential”*, as opposed to a “top-down” approach, like *“The world market potential is €100 billion”*.
- Quote references and expert opinions.

INVESTORS WANT TO KNOW IF THIS IS A GOOD OPPORTUNITY THAT WILL CREATE A SIGNIFICANT AND VALUED BUSINESS WITH A LUCRATIVE ROI POTENTIAL. CLARIFY THAT THE MARKET IS IN NEED OF YOUR SOLUTION, AND THAT IT CAN (EASILY) OBTAIN MARKET APPROVAL AND REIMBURSEMENT.

# The Client-Revenue Model

- Who are your clients:
  - Who uses your product?
  - Who orders it?
  - Who pays for it?
- What is your business model?
- Categorize your product and income potentials: capital investment, low-priced device, software, consumable, maintenance, training, etc.
- What does it cost (money, people, time) to arrive at a first-time sale with a first-time client.
- What are the costs for follow-up sales?

INVESTORS WANT TO KNOW WHO IS USING, BUYING/ORDERING, AND PAYING FOR YOUR PRODUCT, AND WHY.

THEY ALSO WANT TO HAVE A PRECISE INSIGHT OF THE ECONOMICS.

# Going to Market

- Outline your strategies and the status of:
  - Regulatory Approvals
  - Reimbursement Applications
  - Clinical Trials and Product Testing
  - International Business Development & Marketing
- How do you plan to position your product?
- What is your distribution strategy, and what channels will you use?
- Do you have or intend to have specific strategic partnerships?
- How are you planning to build momentum?

NO INVESTOR LIKES TO SPEND MONEY GOING TO MARKET THE OLD-FASHIONED WAY: PAYING FOR AWARENESS AND A LARGE DIRECT SALES FORCE.  
WHAT RESOURCES/PARTNERSHIPS CAN YOU USE TO GET THERE FASTER/CHEAPER?

# You and Your Competition

- Who are your main competitors?
- How are they currently handling the problem you are solving?
- Present a brief competitive analysis: the Strengths and Weaknesses of your product versus the competition.
- Where are your competitors in the development stage: behind you or are they already established market players?
- What direction are they moving with their technology?
- What IP protection do you have? And do you have an independent expert opinion on your IP and its strength?

INVESTORS WANT TO KNOW THAT YOU KNOW YOUR TARGET MARKETS INSIDE OUT:  
THEY DEPEND ON YOU TO BE THE EXPERT.  
YOU NEED TO BE A “WALKING ENCYCLOPEDIA” ABOUT WHAT YOU ARE DOING.

# The Team

- List key team members with a brief history.
- Outline previous work together, and the duration of the relationship.
- Summarize former start-up and/or corporate experience.
- Emphasize successes and relationships that can be leveraged as potential customers, advisors, or possible acquisition candidates.
- Describe how this funding will help fill any gaps in your team.
- Indicate total number of full-time employees.

DEMONSTRATE WHY YOU ARE RELEVANT.

LINK YOUR TEAM'S SKILLS/EXPERIENCE TO THE PROBLEM YOU ARE SOLVING.

DESCRIBE THE BACKGROUND OF BOARD MEMBERS, ADVISORS, EXISTING INVESTORS  
AND NAME-BRAND AFFILIATIONS TO ADD CREDIBILITY.

# The Financials

- Provide financial information for the current and previous year.
- Provide 5 year forward-looking projections.
- Provide cash flow forecasts.
- Specify top line revenues, costs of goods sold, operating expenses, and margin figures.
- Define the valuation of your company and explain the basis of your calculation.

INVESTORS WANT TO BE ASSURED THAT YOU UNDERSTAND HOW MUCH CASH IS REQUIRED TO REACH BREAK-EVEN.  
THEY ALSO WANT TO BE CONFIDENT THAT THIS IS A GOOD INVESTMENT, WHICH WILL GIVE THEM AN ROI THEY EXPECT.

# The Investment

- At what funding/operational stage are you?
- How much have you raised to date?
- From whom have you raised this?
- How much have you and your partners invested yourselves?
- What have you accomplished with your funds so far?
- How much are you looking for now?
- What milestones will you achieve with the funding you seek?
- How long will these funds last?
- What do you offer new investors re shareholding, board seat, exit?

INVESTORS WANT TO KNOW HOW YOU HAVE MANAGED YOUR MONEY, HOW YOU WILL MANAGE ANY NEW FUNDING, “WHAT’S IN IT” FOR THEM, AND WHETHER OR NOT THERE WILL BE A NEED FOR ADDITIONAL ROUNDS OF FINANCING.

# The Risks

What will happen if:

- one of your team members will no longer (be able to) participate.
- you are unable to obtain funding.
- your product encounters serious quality or performance problems.
- the market does not respond favorably to your product.
- you are unable to build a viable market niche.
- you are unable to turn a profit due to intense price competition or other economic setbacks.

MAKE SURE THAT YOUR PITCH IS NOT A “TOO GOOD TO BE TRUE” STORY:  
ITEMIZE ALL THAT COULD GO WRONG AND JEOPARDIZE YOUR PLANS.

# Summary

- What business are you in?
- What problem are you solving?
- Why is it such a big problem?
- Why is your solution the best solution?
- Why should your team be capable to succeed?
- Outline the target market, size and growth potential.
- Summarize the major milestone reached so far.
- State how much money is needed, and over what period.
- Explain what is in it for the investor.

SUMMARIZE THE KEY ELEMENTS OF YOUR PITCH THAT WILL MAKE AN INVESTOR BELIEVE THAT THIS IS A GREAT OPPORTUNITY TO INVEST IN.

# Attachments

- Detailed financials.
- SWOT analysis.
- Value per client & cost per client analysis.
- Technology & IP details.

IN CASE INVESTORS HAVE MORE IN DEPTH QUESTIONS, YOU SHOULD HAVE  
EXTRA INFORMATION AVAILABLE.

# Presentation Advice

- Know your game – own your game.
- Know your slides – their content and sequence.
- Make sure your presentation, computer and beamer function.
- NEVER read your slides.
- Have a conversation, not a monologue.
- Ask to be interrupted with questions – do not have a Q&A at the end.
- Ask questions of your audience yourself during your presentation.
- Do your homework – know your audience.

PRACTICE, PRACTICE, PRACTICE & PRACTICE.  
LET YOUR ENTHUSIASM AND PASSION SHOW.

## About Us

We are a consulting boutique, established in 1992, specialized in International Business Development, Upstream & Downstream Marketing for the MedTech, BioTech & CleanTech Industries.

We can assist you with your presentations to potential investors.

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