



NEF 10-Minute Investor Pitch

INTRODUCTION

Congratulations on your decision to maximize the impact of your investor pitch by leveraging NEF coaches' expertise and years of experience which have been condensed into this slide deck. Use this slide deck as a guideline to help you prepare your presentation. As you develop your story, on your own or with the assistance of an NEF Coaching Team, the order of some of the slides may change; however, the basic elements will remain.

The proposed style and content of the pitch here is that of a 10-minute introductory presentation targeting a group of professional investors. It is targeted to generate a more in-depth follow-on meeting, which will likely be more interactive, or follow-on written communication, such as an executive summary.

ABOUT THE NEW ENTERPRISE FORUM (NEF):

NEF volunteers have coached more than 500 entrepreneurs since the organization's founding in 1986. NEF coaching teams assist selected entrepreneurs - those with high-growth potential businesses and who are actively seeking an equity investment - by helping them learn to more effectively communicate with potential investors. This slide deck template, which is based upon our 3 decades of experience preparing entrepreneurs to meet with potential investors, is used as the basis for our coaching.

ABOUT THIS DOCUMENT:

This document provides one or several representative slide examples from previous NEF engagements for each proposed slide in your pitch. The specific company information on the slides is likely outdated and does not represent the current status of these companies. The reader should consider them as fictional and for educational purposes only.

This document is organized into the following sections:

- A. General Tips
- B. List of Presentation Slides and Key Messages
- C. Individual Slide Examples and Recommendations
 - Slide examples are requested by many of the entrepreneurs we coach. Therefore, we have selected 2 actual examples from past effective NEF Showcase presentations to include in this document. Since conditions may have changed and to maintain confidentiality, the presenters' identities have been removed. A few words of caution are needed:

- i. The content of an individual slide cannot be understood or evaluated without hearing the oral pitch that accompanies it. Do not attempt to simply copy the content shown,
 - ii. Similarly, the content of an individual slide cannot be understood or evaluated without the having seen the entire presentation deck. Each example slide is part of a larger overall story, and each slide needs to be specifically adapted to your own story to be effective.
- Key Points of this Slide: The key concepts you need to deliver with the slide.
 - Slide Content Ideas and Tips: Each business, like each pitch, is different. This section suggests several proven approaches for presenting the Key Points.
 - Script/Oral Delivery Content Ideas and Tips: Your oral delivery is the most crucial aspect of the pitch. This section suggests ways to include supporting facts and anecdotes to help clarify the Key Points and relate them to the how they deliver on specific investor expectations.
 - Additional NEF resources (when available). In general, these can be found at: <https://NewEnterpriseForum.org/Resources>

A. GENERAL TIPS:

While there are many good ways of telling a compelling story, there are even more poor ways. In the case of an Investor Pitch, there are key elements which must be included in the story. The purpose of the 10-minute investor pitch is to ***tell a compelling story in such a way that an investor wants to learn more about the business opportunity.*** A successful outcome is receiving a business card from an investor along with a request to contact her or him.

Investors invest in people, not ideas. In many cases, this presentation is your first ‘meeting’ with a potential investor. As such, you want them focused on **YOU**, not your slides. The slides are only there to provide structure and support your pitch, not distract from it. Minimize the amount of content on each slide, including the number of words - when people are trying to understand those, they are not listening to you. When you present, make continuous eye contact with and engage your audience - as if you were having a one-on-one conversation - do not look at your slides, and do not use a laser pointer.

Other suggestions for the slides include:

- Tell a consistent story, with all aspects of the story being mutually supportive. It helps to think of each slide providing a single strong message to the audience.
- “Keep it simple” visually, with emphasis on your story. Complex slides with multiple messages will lose the audience.
- In a presentation, visual elements of a slide are like body language in a conversation. Like body language, the visuals communicate 60-80% of the content and are effective in helping the audience relate to and remember what you say. Not that you should do away with bullet points, which are often the easiest way to support the story but effective graphics are the more effective communication tool.

- Investors relate strongly to financial results. Sometimes, we say that investors hear: blah, blah, DOLLARS, blah, DOLLARS, blah, blah.... It is important to tie the information presented to its value to buyers and resulting dollar impacts.
- Establish a brand with your own colors and logo. Maintain consistent layout for each slide (creating a slide template is highly recommended). We suggest that the logo be included on each slide (footer left) and page numbers be shown (footer right) on each non-title slide.
- Use slide background and font colors that project well for presentations.
- Primary bullets between 24-32 font sizes.
- Use animation slides with care as they could fail, interrupting the flow of the presentation and causing embarrassment.
- Use consistent capitalization.
- Avoid abbreviations and acronyms.
- Spell check!! Grammar check!! Check again!!

Other suggestions for the script/oral delivery include:

- Normal speaking cadence is about 150 words per minute. Thus, your overall narrative / script should be no more than 1500 words - speaking quickly impedes communication and fatigues your listeners.
- Pausing in your delivery is an excellent way to emphasize the importance of a statement and let the audience absorb it.
- Avoid technical jargon, industry-specific terms, and acronyms.
- Avoid repetition. State your key messages strongly, once, at the right place in your pitch.
- The first five slides – Title, Hook, Problem, Solution, and Technology – should be completed in approximately 3 minutes. This is such an important part of the pitch that it is worth carefully scripting these slides – this is not an area to improvise. Remember that investors are primarily interested in businesses, not products/technologies. Also remember that this is not a product sales pitch or a product/technology presentation – it is an investor pitch.
- Practice, practice, practice!

B. LIST OF PRESENTATION SLIDES AND KEY MESSAGES

While there can be variations in requirements from one investor to another, there is a generally accepted list of proven content that should be included as the starting point for any investor presentation. While content and slide sequence may vary, NEF has found the following to be a generally accepted set of the subjects your presentation should address:

Slide No.	Slide
1	Title Slide
2	The "Hook"
3	The Problem
4	The Solution
5	Technology / IP
6	Competition
7	Market / Market Size
8	Business / Revenue Model
9	Go-To-Market
10	Traction / Milestones
11	Management Team
12	Financials / 5 Year Proforma
13	Funding Requirements
14	The Exit
15	Closing Slide

TELLING YOUR STORY – THE INVESTOR THESIS

Most presenters believe they know what they want to say to investors. Unfortunately, the problem is that they have too much to say and don't take sufficient account of what the investor wants/needs to hear versus what the presenter believes is most important. Therefore, it is critical to **DEVELOP YOUR 'STORY' BEFORE DEVELOPING SLIDE CONTENT!** This means that you need to do this before creating a single slide! To make this process easier, the [Appendix](#) includes a worksheet that helps you better understand what questions investors need to have answered and to develop the presenter's best, single, simple answer to each question. You will sometimes hear these answers referred to as the presenter's "Investor Thesis." Your simple answer to each question should become the basis for selecting critical messages and content for slides. In addition, each answer should help define slide headings and paragraph headings for your Executive Summary. It is recommended that this worksheet be completed prior to your first coaching session.

As a measure of whether your answers provide the strongest basis for your presentation content, you should make sure that your answers satisfy two requirements:

1. They highlight and clearly describe the 3-5 most critical elements that will make an investor want to invest.

2. They address, in a positive way, the 2-3 most likely objections investors will have to wanting to invest. It is better to “kill the gorillas” than have them be a hidden reason why investors won’t talk with you.

Remember, the investor is looking for a reason to say ‘no’ or to stop listening.

ADDITIONAL RESOURCES:

"The Need to Tell Your 'Story': The Investment Thesis - Guidelines"

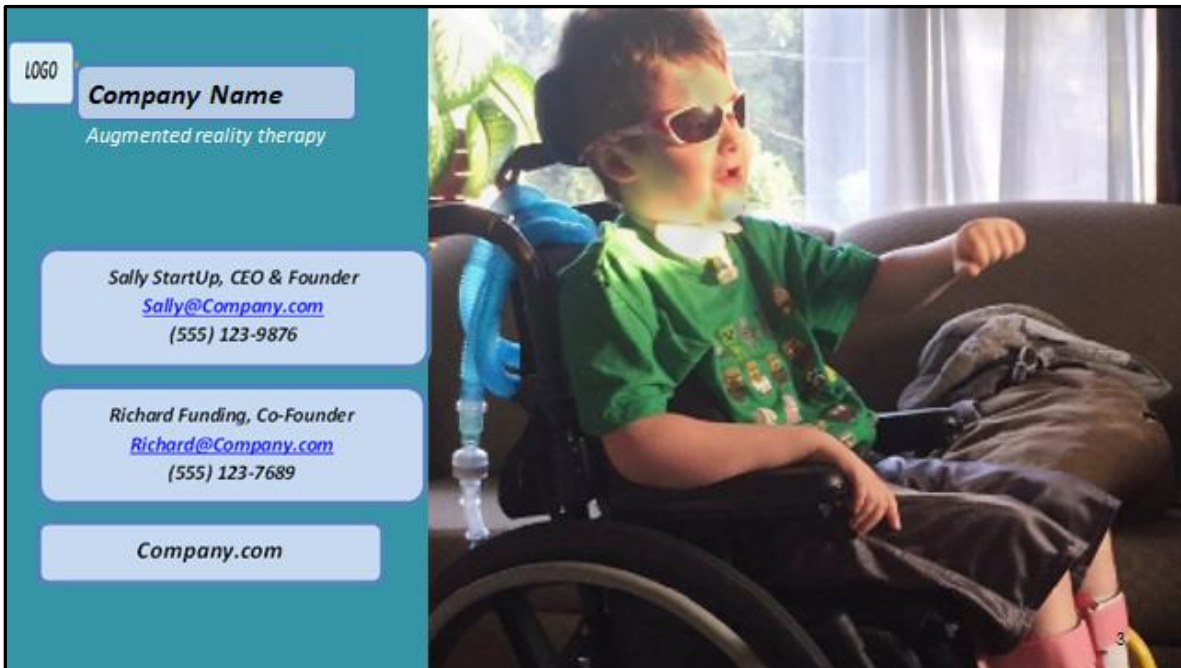
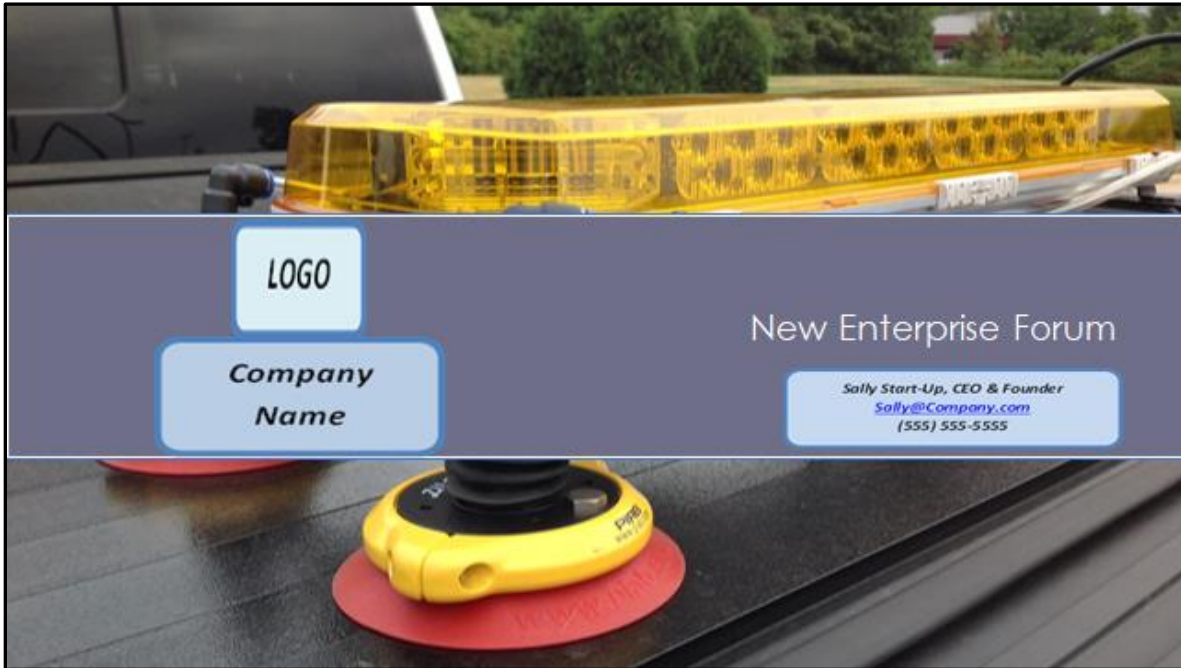
<https://newenterpriseforum.org/Resources>

C. INDIVIDUAL SLIDE EXAMPLES AND RECOMMENDATIONS

1 - TITLE SLIDE

KEY INVESTOR QUESTION TO BE ANSWERED BY THIS SLIDE:

WHO ARE YOU?



KEY POINT OF THIS SLIDE:

- **MAIN:** This slide is designed to quickly introduce you, the CEO, and the company. Make a good first impression, establish a basis for credibility, and capture the listeners' attention so that they will focus on what you are saying for the remainder of the pitch.

SLIDE CONTENT IDEAS AND TIPS:

- Company logo, the name and title of the Founder/CEO, tag line (if any), and telephone/email contact information
- Event name or group presented to (optional), date (optional)

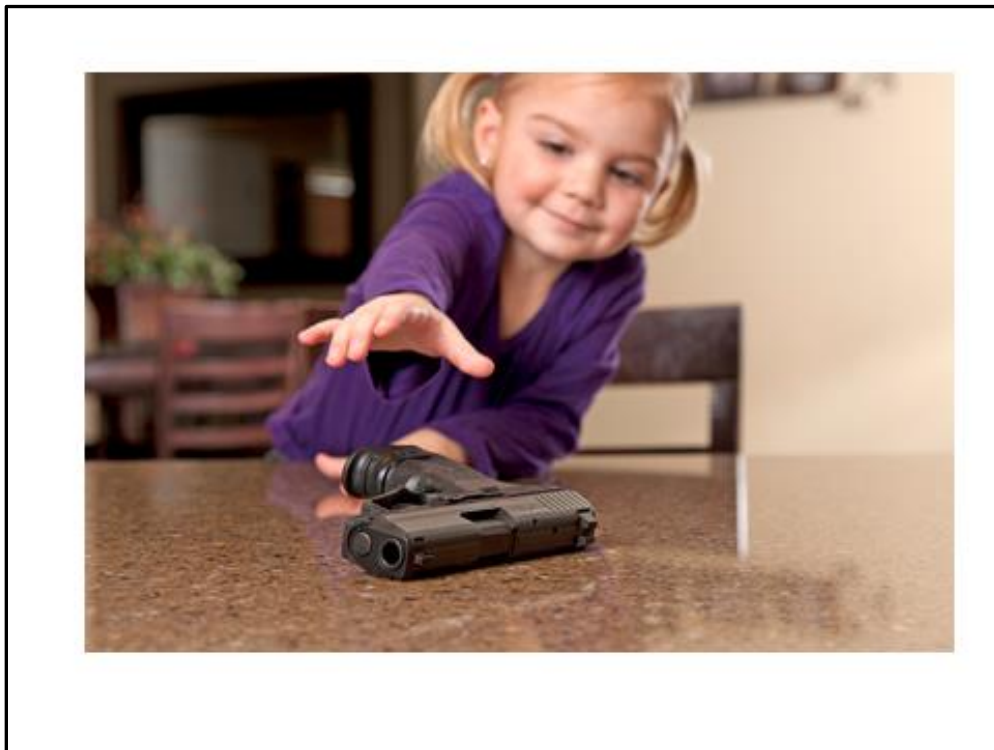
SCRIPT/ORAL DELIVERY CONTENT IDEAS AND TIPS:

- Make a connection with the audience. This introductory slide should be of short duration unless you are building the hook (see next slide) on this first slide. It is typically limited to a short personal introduction from the Founder/CEO.
- If your business has made significant tangible progress, e.g., has raised significant funds, earned sales revenue, received awards, secured customers, etc., these can be mentioned here briefly. This can be important since many of the presentations investors hear are from early-stage companies which have yet to show significant value-creating traction. Be careful not to say here what you will want to say much better later on in the presentation.
- Also, if you have extensive and successful prior experience as an entrepreneur or in the marketplace, you could use this slide to mention this as a way to get the audience's attention. Although we believe that the description of the management team is better made later in the presentation when the audience can relate the team's background to the proposed venture and plans.
- DO NOT state 'boring' facts, e.g., when the company was founded, its legal organization (corporation vs. LLC), etc.

2 - THE "HOOK"

KEY INVESTOR QUESTION TO BE ANSWERED BY THIS SLIDE:

WHY SHOULD I LISTEN TO YOU?



KEY POINT OF THE SLIDE:

- **MAIN:** Capture the audience attention and interest

SLIDE CONTENT IDEAS AND TIPS:

- The Hook slide is often presented using a picture or graphics that capture the essence of the 'pain' that your customers are currently feeling because they don't have your solution.

SCRIPT / ORAL DELIVERY CONTENT IDEAS AND TIPS:

- Develop a short story that relates to the problem you will expose in the Problem slide.
- Good salespeople say that the best way to get someone to listen is to address a strong emotion or fear. This is a good basis from which to create a compelling reason to listen and invest.
- Emotional or personal stories, extraordinary or dramatic facts, and probing questions are all good ways to connect and engage with the audience.
- A real-life example that the audience can relate to and that demonstrates the current pain of potential customers is a great way to communicate the areas of value that will be discussed later in the presentation in both the Problem and Solution sections. The greater pain you can show, the more compelling your business will appear.
- Remember that you have 30-45 seconds to capture your audience's attention.
- Remember that investors are busy and see so many presentations that they suffer from attention deficit. You must overcome this hurdle to get their attention. It is more engaging to present the Hook in a relaxed, conversational way as you might relate a story around a campfire.
- If it seems appropriate, the Hook can be given using the Title slide as the background. This is sometimes done by having the Title slide include the visual that would otherwise be used for the Hook. This can sometimes save some time and engage the audience more quickly.

3 - THE PROBLEM

KEY INVESTOR QUESTION TO BE ANSWERED BY THIS SLIDE:

WHAT IS THE 'BIG PAIN' THAT EXISTS WITHOUT YOUR SOLUTION, AND IS IT STRONG ENOUGH TO DRIVE CUSTOMERS TO PURCHASE?

The Problem

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graph LR; A[Design studies] --> B[Recruit Participants]; B --> C[Execute Study]; C --> D[Analyze data]; D --> E[Publish results];
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- **Under-enrollment is the #1 reason why clinical trials fail.**
- **Over \$1M in losses to the average academic medical center.**

LOGO Company Name

Retinal Diseases Lead to Blindness

25 Million Americans Have Retinal Diseases

Blindness Due To Photoreceptor Cell Death

Company Name

KEY POINT OF THIS SLIDE:

- **MAIN:** To make the problem understandable and specific for the audience
- To show that the problem is a large, important one
- Ideally, to define the scope of the problem by its potential financial impact

SLIDE CONTENT IDEAS AND TIPS:

- It is helpful to illustrate the problem as literally as possible – graphics help to paint the picture for the nature and magnitude of the Problem.
- Reinforce the compelling nature of the Problem – its emotional and fearful connections to not having the solution – and the impact of someone not having used your Solution once it is available.
- Make sure that you include in your Problem description the impact of not having your Solution in the areas that you will list as Solution values when you get to the Solution section.
- Ideally, set the groundwork for dollar impact of the Solution by quantifying the size of the problem and its dollar impact.
- If the Problem is well understood by investors, the Solution, Go-to-Market, etc. will be more easily understood.

SCRIPT / ORAL DELIVERY CONTENT IDEAS AND TIPS:

Let your story drive your content, but you should consider things such as:

- Explain the size of the problem and its evolution over time.
- A story or usage scenario can highlight the problem in a memorable way.
- Show the geographic or other concentrated areas where the problem occurs.
- Define the precise problem and who within an organization has this pain. Vague problem statement leads to poor value proposition definition.
- Your business needs to attack a real-world pain that exists prior to your solution.
- Increase credibility by using market research to support the nature and size of the problem.

4 - THE SOLUTION

KEY INVESTOR QUESTION TO BE ANSWERED BY THIS SLIDE:

WHAT DO YOU DO THAT OTHERS DON'T? WHAT IS YOUR "FIX" THAT WILL REDUCE THE PAIN AND THAT USERS ARE WILLING TO PAY FOR?





WATER SYSTEMS

- ✓ Customer-centric
- ✓ Streamline operations
- ✓ Flexible technology platform

RESIDENTS


- ✓ Real-time water usage
- ✓ 24/7 consumption data
- ✓ Water leak notification
- ✓ Water conservation



LOGO Company Name

Value

Company Name LOGO



- Reduced anxiety
- Increased cooperation
- Faster rehabilitation

KEY POINT OF THIS SLIDE:

- **MAIN:** To demonstrate that your solution solves the specific problem described

SLIDE CONTENT IDEAS AND TIPS:

- Product photos and screen shots for online solutions help crystallize your offering in the investor's mind.
- It is often good to show here the key benefits (think value proposition / unique sales proposition). It may be worth having an additional slide specifically devoted to the customer values/benefits that the Solution will provide. These values/benefits should be the basis for comparisons when presenting the Competition.
- Quantify the value of benefits where possible.

SCRIPT / ORAL DELIVERY CONTENT IDEAS AND TIPS:

- Provide an overview of the product or service, unless it is obviously understood by a non-specialist audience.
- Describe how the product or service directly solves the Problem.
- Benefits excite customers whereas features excite technophiles. Emphasize benefits/values rather than features.
- Benefits should directly address the pain points described (in the Hook and the Problem).
- Minimize technology or industry-specific jargon so most people will understand.


5 - TECHNOLOGY / INTELLECTUAL PROPERTY

KEY INVESTOR QUESTION TO BE ANSWERED BY THIS SLIDE:

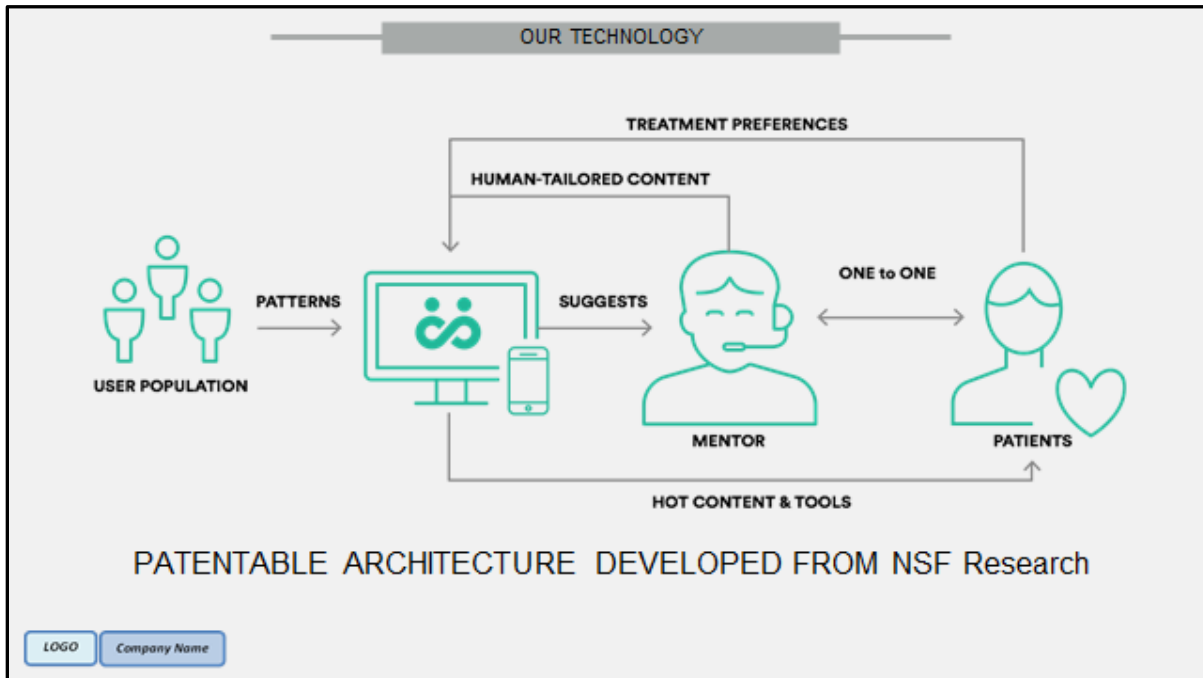
PROVE TO ME THAT YOUR SOLUTION WORKS!

How it Works

1. Analytics
2. Task Management
3. Recruitment Tool
4. Leads Tracking
5. Participant Management
6. Calendar Integration



LOGO Company Name



KEY POINT OF THIS SLIDE:

- **MAIN:** To provide a basic understanding of the technological and other underpinnings of the solution and how it addresses the Problem
- Since Intellectual Property is frequently related to the technical nature of the solution, it is frequently presented in this section (or as part of discussing Competition).

SLIDE CONTENT IDEAS AND TIPS:

- Include, as appropriate and helpful, product photos, screen shots, diagrams, drawings, etc.
- Omit confusing diagrams and formulas, especially those that show features over benefits.

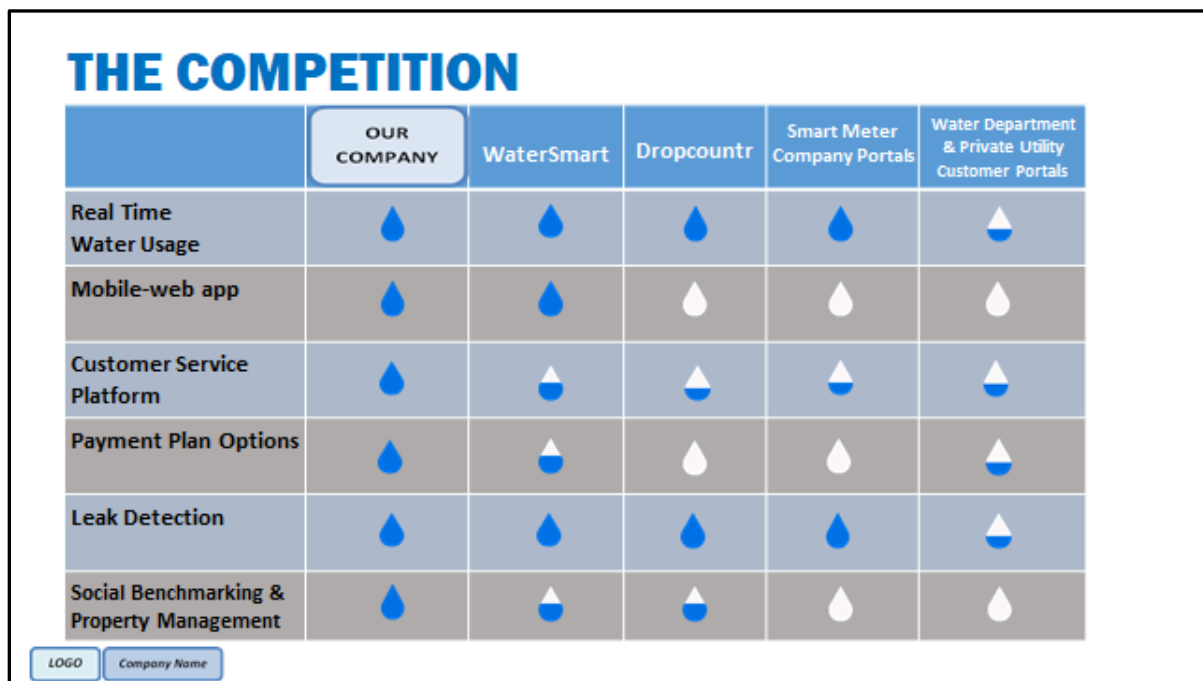
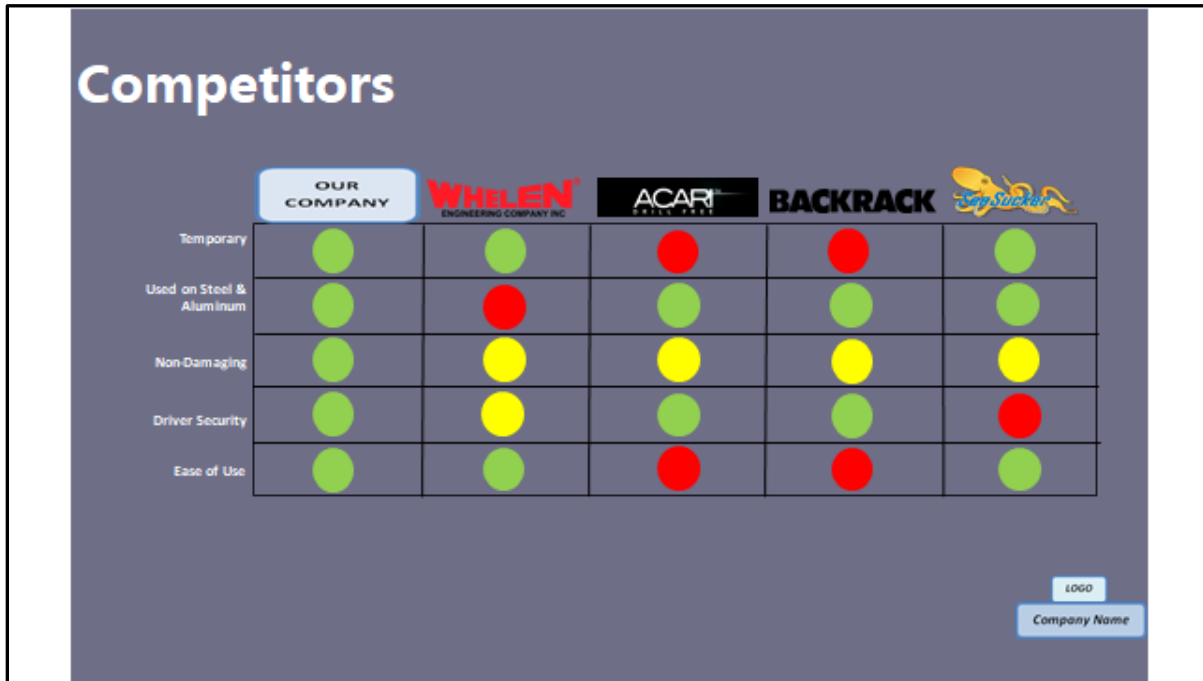
SCRIPT / ORAL DELIVERY CONTENT IDEAS AND TIPS:

- Give a concise/non-proprietary technology overview in layman's terms.
- The technology or revised processes around new services should be the key enabler of your solution. If the problem being addressed is real, there already exist solutions to the problem. What you are bringing to the table is a new technological/service approach for addressing the Problem more effectively than existing solutions.
- If the technological/service underpinnings of the solution are difficult to explain succinctly, provide some basis by which the audience will believe that your solution does what you claim. For example, third-party test results, peer-reviewed publications, etc.
- Describe the status of your product development – whether it is at the research and development stage, a working prototype, in beta test, FDA approved, in full commercial release, etc.
- Describe any regulatory or technical obstacles and the current plans to overcome them.
- Describe the status of your intellectual property and what it protects (patents' status, trade secrets, first-to-market, etc.). Sometimes, this is worth an additional slide.
- Avoid in-depth technical explanations. This slide should be understandable by any average college graduate.
- Do not disclose the details of your protectable secrets. It should not be necessary to reveal details at this level if you have shown proof that the Solution works and made the connection to the resulting benefits/values it provides.

6 – COMPETITION

KEY INVESTOR QUESTION TO BE ANSWERED BY THIS SLIDE:

WHY DOES NO ONE ELSE DO THIS AS WELL AS YOU, AND WHAT WILL KEEP OTHERS FROM DOING THIS OR SOMETHING BETTER?



KEY POINT OF THIS SLIDE:

- **MAIN:** To compare/contrast the solution to the competitions' solutions and show how your solution is better and can be protected from competitive reactions

SLIDE CONTENT IDEAS AND TIPS:

- Most of the time, this is best represented through a table with your company and its competitors on the horizontal axis and your solution's benefits/values on the vertical axis.
- If you are competing with a large number of companies, group competition by technologies or channels rather than individually.
- The benefits in the chart must echo the same pain points described in the Hook and Problem and addressed in the Solution slides.
- Use a rating icon at the intersection of each value and competitor that can be easily visually scanned to understand how your Solution is better – red/yellow/green, pluses/minuses, full/half/quarter circles, etc.
- If possible, show well-known competitors (and show their logos, as appropriate) as these validate the market need and can highlight potential acquirers of your company.

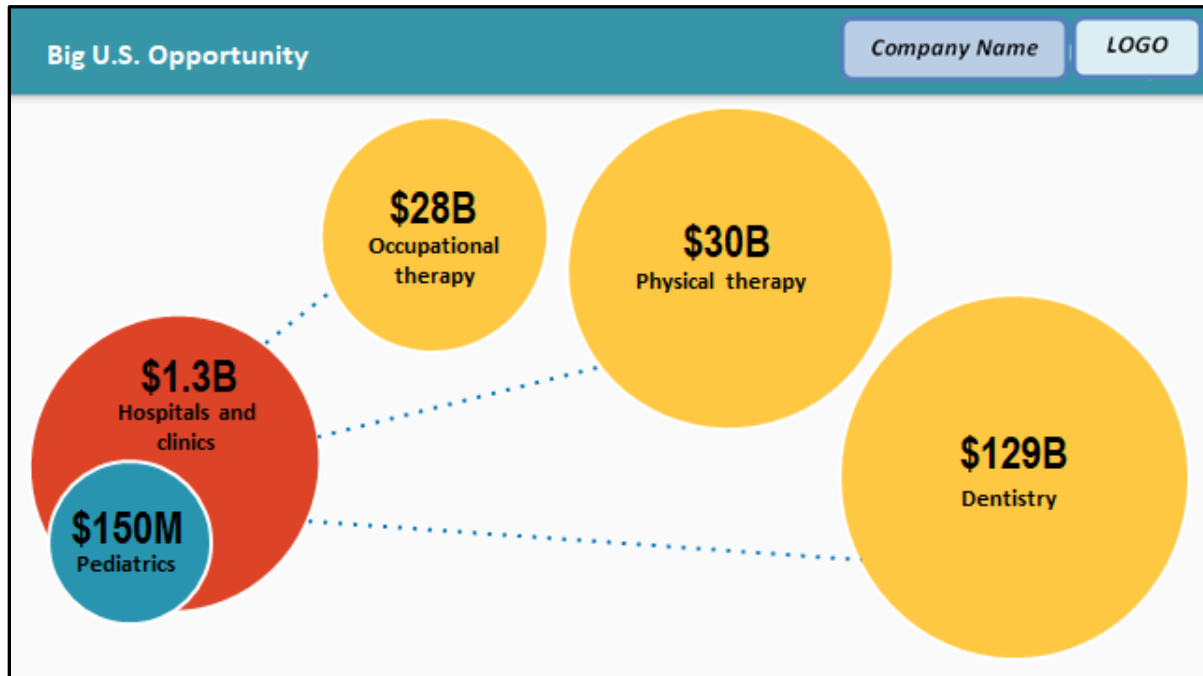
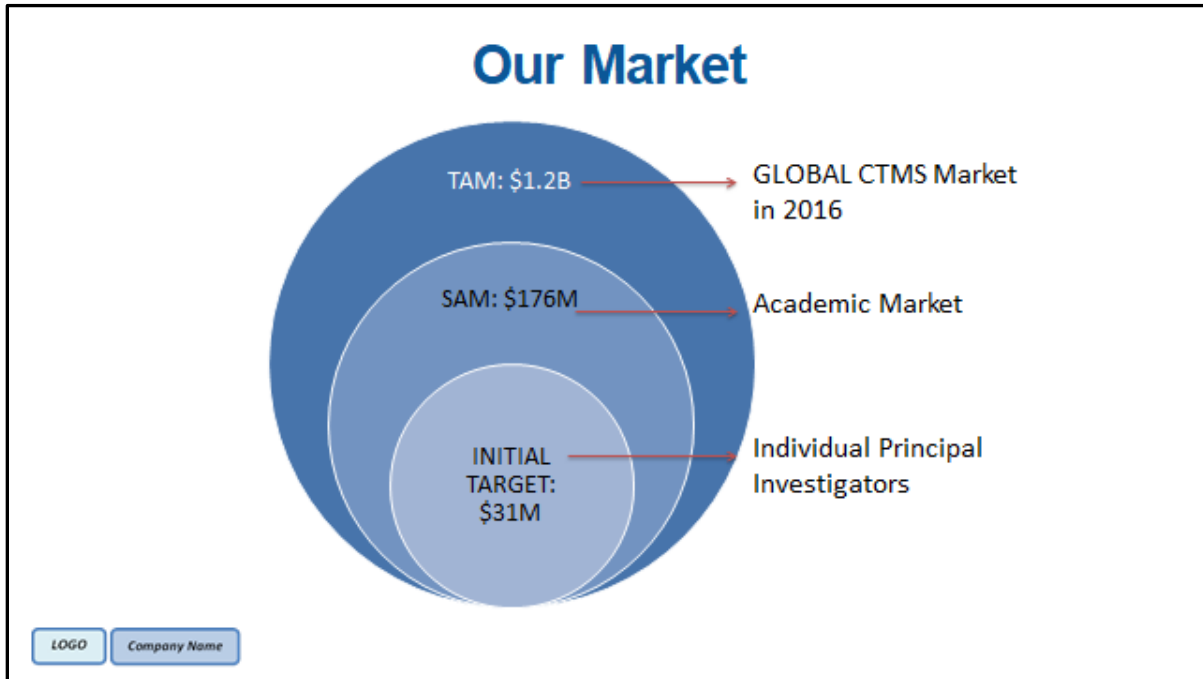
SCRIPT / ORAL DELIVERY CONTENT IDEAS AND TIPS:

- Compare your solution to the one currently being used to solve the problem. In the script, this should include discussion of the status quo, since this always exists and is frequently the greatest hurdle to market acceptance.
- A fundamentally new approach which dramatically reduces cost is a competitive advantage, but investors rarely invest in solutions that only provide cost advantages. Cost advantages are too fleeting and, in many cases, are not credible versus other alternatives.
- NEVER say there is no competition because there always is, even if it is a status quo product/service.
- Having a marginally lower price is not a competitive advantage as the competition can reduce their prices until your margin differences don't exist. An established competitor can put you out of business if margins are the only basis for competition.
- When presenting this slide, speak to only a couple of key areas where your solution is dramatically and demonstrably better than the competition.
- Avoid defaming the competition, and avoid spending a lot of time talking about their solutions.

7 - MARKET AND MARKET SIZE

KEY INVESTOR QUESTION TO BE ANSWERED BY THIS SLIDE:

HOW BIG IS THE MARKET FOR YOUR SOLUTION?



KEY POINT OF THIS SLIDE:

- **MAIN:** To show that there is a critical mass of potential buyers for your product/service

SLIDE CONTENT IDEAS AND TIPS:

- Pie charts work very well to help the audience quickly visualize market size and the segments of the market you plan to tap.
- Progressively larger circles that build from your planned beachhead market to initial growth markets and then to full market size are useful to tie market size to marketing and product plans.
- Be careful to define market size based upon a build-up of your product/service volume at your product/service price. For example, if your product is expected to be half the price of current products, then total market size is one half of what published data would say the market size is. Similarly, you need to be careful not to overstate market size by showing top-down market estimates from published sources – these frequently include products/services beyond what you plan to sell. A bottom-up estimate based upon your own product/service plans and prices is always best.

SCRIPT / ORAL DELIVERY CONTENT IDEAS AND TIPS:

- Indicate the total addressable market and identify drivers relevant to your product.
- Addressable market is a part of the total product/service market and represents the revenue your business would generate if it captured 100% of the specified market sector(s).
- Show and prioritize the different segments - outline market entrance, initial product growth, and future expansion and rapid growth.
- Indicate market trends.
- Increase credibility by using market research to support market sizes. Sources of data include Forrester, Gartner, and other recognized market research data such as trade journals, professional association studies, and government data.
- As your initial market entry, focus on the market segment that provides your business the most advantageous market position and enables generating revenue in the shortest period of time.

ADDITIONAL RESOURCES:

"MARKET SIZE ESTIMATION -- What does it all mean?"

<https://newenterpriseforum.org/Resources>

8 - BUSINESS / REVENUE MODEL

KEY INVESTOR QUESTION TO BE ANSWERED BY THIS SLIDE:

TELL ME HOW YOU WILL MAKE MONEY, AND PROVE TO ME THAT CUSTOMERS ARE WILLING TO PAY WHAT YOU PLAN TO CHARGE.

Unit Economics



iPhone

- ◆ Avg Conversion Rate: 3.2%
- ◆ # of Premium Subscribers: 350

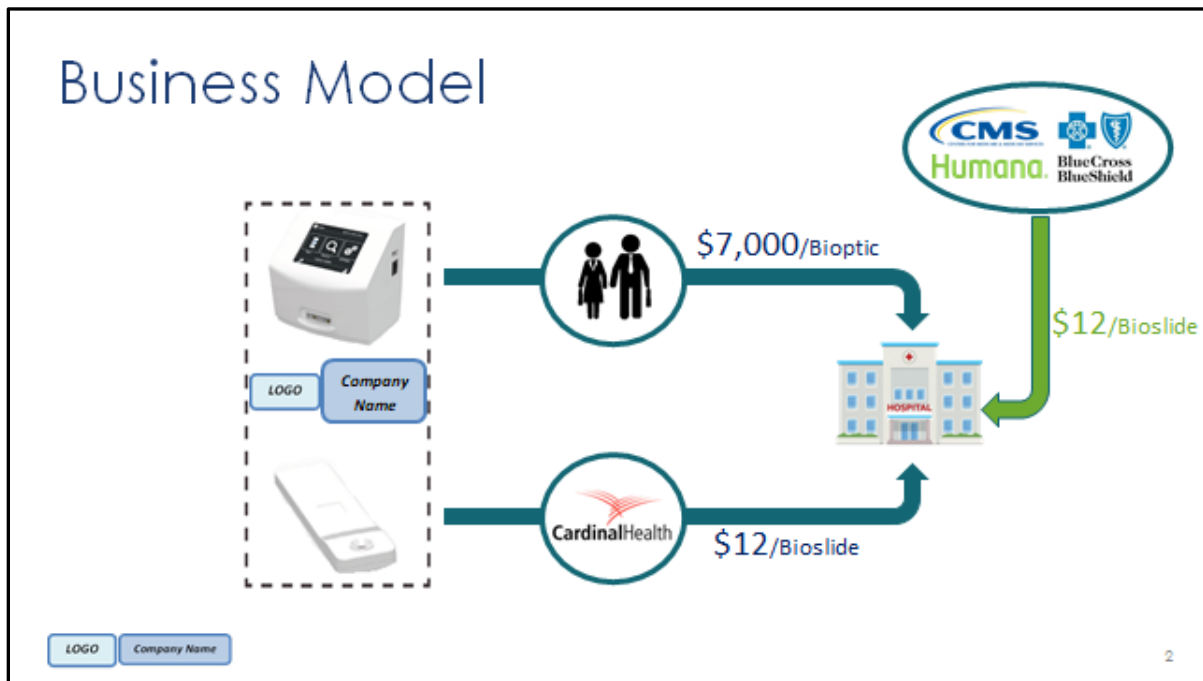
Android

- ◆ Avg Conversion Rate: 1.2%
- ◆ # of Premium Subscribers: 70

Premium Athlete: \$99.99/year or \$14.99/month

- ◆ 80% Retention Rate
- ◆ Cost To Acquire Premium Athlete: \$25
- ◆ Payback Period < 3 Months

LOGO



KEY POINT OF THIS SLIDE:

- **MAIN:** To show a clear understanding of how the business interacts with key suppliers/customers and how you will make money in the target industry

SLIDE CONTENT IDEAS AND TIPS:

- Break down the value chain by identifying brokers, resellers, wholesalers, affiliates, etc. This is typically best done graphically showing what each part of the revenue chain (including you) earns at each step of the selling process.
- Show users, influencers, and buyers.
- If the business is part of a market which includes brokers, value added resellers, wholesalers or affiliates, each member of the value chain typically gets a share of the revenues. Using graphs or diagrams to show this provides a clearer understanding of the business' profitability.
- Show names or descriptions of key partners and their relevance to your business.

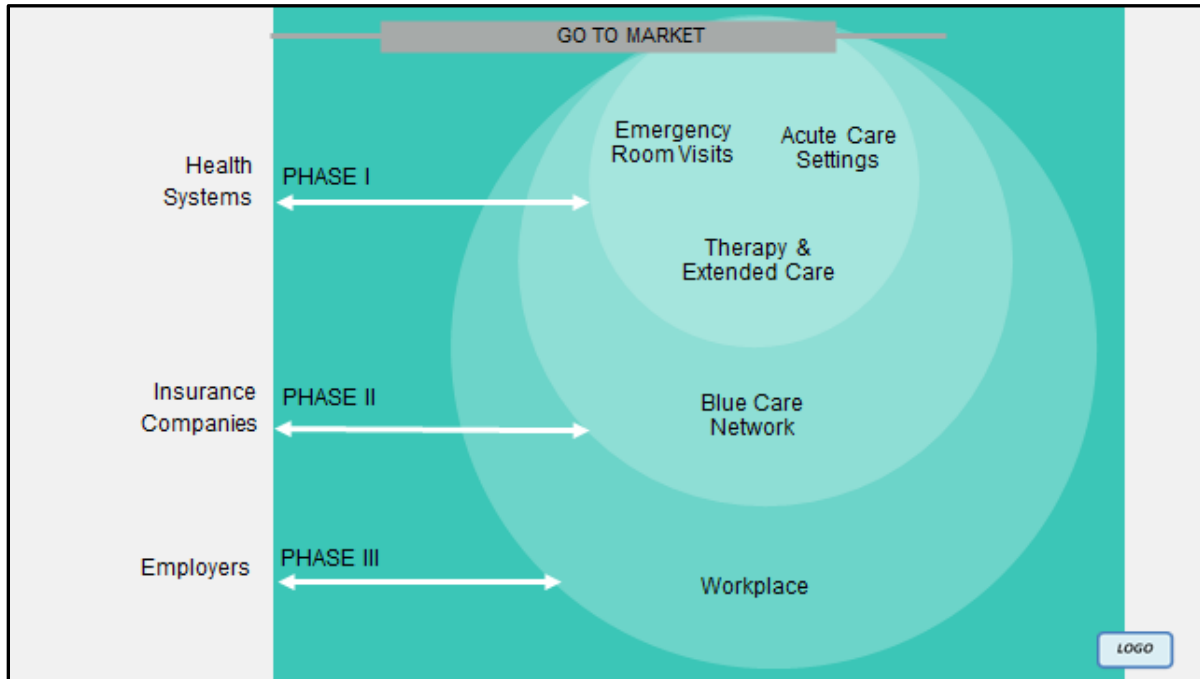
SCRIPT / ORAL DELIVERY CONTENT IDEAS AND TIPS:

- Be very clear about the exact nature of your company's products/services: What is sold (units, systems, consumables, subscriptions, etc.), how it is sold (position in value chain), and how profit is generated.
- Be very clear about the buying process and how long it takes – who signs the purchase order, who else is involved in the decision-making process, what steps are needed to achieve a sale, the time it typically takes to complete the sales cycle, etc. Explain how this may change over time.
- Describe stages of your customers – targeted, first trial users, early adopters, recurring revenue, and churn (the percentage of recurring customers that drop out each year). Use other demographics, e.g., geographic distribution, annual revenue, etc., to better describe your customers.
- Focus on the primary revenue stream(s), and do not distract the audience with complex future multiple revenue scenarios.
- For sales through a distribution channel: Identify partners, specify their share of the revenue, the number needed, territory issues, etc. Explain how these may change over time.
- Describe how partner relationships are mutually beneficial. This is especially important for closing deals since it lends credibility to your potential to close deals based upon your partners' credibility.

9 - GO-TO-MARKET

KEY INVESTOR QUESTION TO BE ANSWERED BY THIS SLIDE:

TELL ME HOW YOU WILL FIND, CONTACT, AND SELL TO POTENTIAL CUSTOMERS.



Go-to-Market

Established Distribution Channels

- 15 Recognized Distributors
- 13 Sales Representative Organizations
- Distributor Contact Underway

Next Steps

- Evaluation Programs
- Targeted Advertising
- Tradeshows

LOGO
Company Name

KEY POINT OF THIS SLIDE:

- **MAIN:** To demonstrate an understanding of what it takes to close a sale in terms of time, effort and cost
- This, frequently, is the most important slide because it says how the investors' money will be spent to generate revenue.

SLIDE CONTENT IDEAS AND TIPS:

- Identify specific customers with whom contact has already been established. Be clear about the relationship – differentiate between a potential customer and one who is already paying for the business' product/service.
- The use of customer logos, especially if they are well known, is often more effective than text.
- Identify partners, using logos, and summarize your relationships with them.
- Map representations are sometimes a good way to show regional penetration over time.

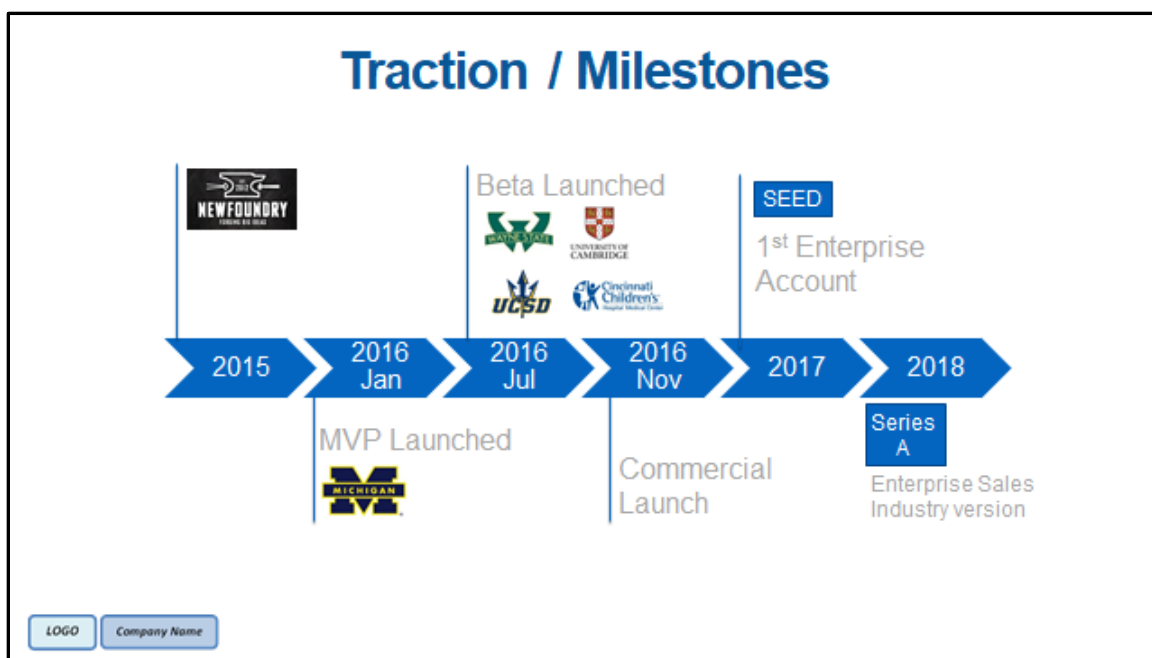
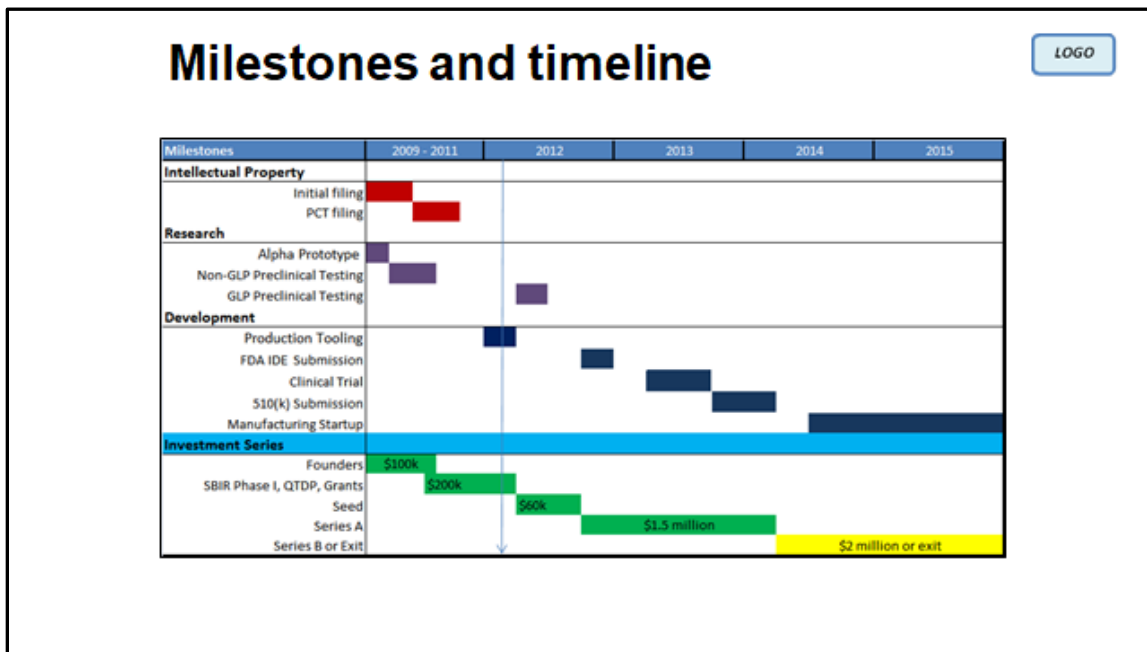
SCRIPT / ORAL DELIVERY CONTENT IDEAS AND TIPS:

- Define industry entry points, like the annual electronics or toy shows, where potential customer participation is expected.
- For a direct sales approach, identify key decision-makers and ways to find them and talk with them.
- Outline the size of the sales team, sales cycle, etc.
- Address mitigation strategies for competitor's reactions to your market entry.
- Identify pipeline management and conversion rate strategies.
- If your strategy is not the approach normally used in your industry, validate why your approach will work.
- It is helpful to estimate the conversion rate as a percentage of contacts who actually become paying customers.
- Products which will eventually be sold through distributors may initially be sold directly. Confirm how you know that there will be a strong demand from channel partners and what they will expect to be paid.
- Products which are sold at retail have additional issues, such as competition for shelf space and other costs which must be accounted for.

10 - TRACTION / MILESTONES

KEY INVESTOR QUESTION TO BE ANSWERED BY THIS SLIDE:

WHAT HAVE YOU DONE SO FAR (AND WHAT DO YOU PLAN TO DO NEXT) THAT PROVES YOU CAN ECONOMICALLY REACH POTENTIAL CUSTOMERS AND THAT THEY ARE WILLING TO PAY YOUR PRICE FOR YOUR SOLUTION.



KEY POINT OF THIS SLIDE:

- **MAIN:** To show a viable plan which demonstrates past progress and identifies future milestones
- Milestones are usually developed around the Revenue, Product, Sales & Marketing, and Personnel Hiring Plan milestones that are consistent with successive investment rounds.

SLIDE CONTENT IDEAS AND TIPS:

- This slide often presents a timeline for achievements in product development, marketing efforts, customer acquisition, and revenue, plus the required funding to produce these results.

SCRIPT / ORAL DELIVERY CONTENT IDEAS AND TIPS:

- List only the key past accomplishments and future milestones that provide an increase in the company value.
- You need to tie your future milestones to your next round of funding.
- Indicate completion dates in years and/or quarters.
- Avoid detailed explanations of future product releases.

ADDITIONAL RESOURCES:

"THE ENTREPRENEUR'S EQUITY ROADMAP: Raising Money Without Giving Away the Business"

<https://newenterpriseforum.org/Resources>

11 - MANAGEMENT TEAM

KEY INVESTOR QUESTION TO BE ANSWERED BY THIS SLIDE:

PROVE TO ME THAT YOUR TEAM CAN DELIVER ON BOTH THE SOLUTION AND THE BUSINESS PLANS.

A slide layout for a management team. At the top, a grey bar contains the word "TEAM". Below this, two columns of information are presented. The left column features a box labeled "Co-founder, CEO" with a "Picture" placeholder, followed by the name "Sally Startup" and her title "Co-founder, CEO". Below her name are three bullet points: "+ Prior Company Role (e.g., Product Lead)", "+ Prior Company 2 Role (e.g., Partners Lead)", and "+ Education (e.g., MSW, MSL, Major University)". The right column features a box labeled "Co-founder, Head of Product" with a "Picture" placeholder, followed by the name "Richard Dewar" and his title "Co-founder, Head of Product". Below his name are three bullet points: "+ Prior Start-up (e.g., Co-founder, CEO)", "+ Prior Start-up 2 (e.g., Co-founder, Creative Director)", and "+ Prior Company Role (e.g., Art Director)". A horizontal line separates the team members from the "ADVISORS" section below. Three advisors are listed: "Shirley Succeed" (Serial Entrepreneur, +BigWebsite.com), "Jennifer Juniper" (CEO & Founder, Similar Company, + Managing Director, Similar Company 2), and "Robert Dylan" (Founder, Well-known Website, + Early Investor in Very Successful, Recognized Company). A "LOGO" placeholder is located in the bottom left corner.

A detailed slide layout for a management team. The top header is teal and contains the word "Team" on the left, and two buttons labeled "Company Name" and "LOGO" on the right. Below the header, four columns of information are presented. Each column starts with a box labeled "FOUNDER", "SALES PERSON", "DESIGN PERSON", or "PRODUCT PERSON" with a "PICTURE" placeholder. Below each box is the name and title of the team member: "Sally Startup" (Founder, CEO), "Soupy Sales" (Head of Sales), "Dee Signer" (Head of Design), and "Pro Ductman" (Head of Product). A yellow bar below these names contains the text "+ 8 engineering, animation, marketing contractors". At the bottom, four advisors are listed: "Ed Visor" (Sales/leadership advisor), "Sun Visor" (Clinical advisor), "Dev Isor" (Technology advisor), and "Green Visor" (Financial advisor).

KEY POINT OF THIS SLIDE:

- **MAIN:** To demonstrate that the business has a stage-appropriate leadership team that can achieve the proposed plans

SLIDE CONTENT IDEAS AND TIPS:

- Individual pictures of the management members with title and main area of responsibility
- Ensure consistency in picture styles (clothing, b/w vs. color)

SCRIPT / ORAL DELIVERY CONTENT IDEAS AND TIPS:

- If you have introduced yourself on the Title slide or were introduced prior to your pitch, you should not spend much, if any, time reminding them of your own qualifications.
- Typically, include Director/VP-level or greater, but must include all team members critical to executing plans and achieving milestones.
- Discuss prior experience relevant to the tasks needed, especially 'done it before' experience and results.
- Speaking to the team's capabilities to execute plans is more impactful than reciting individuals' past accomplishments.
- Having team members who are known in your industry is a plus.
- Highlight how long some of the team has worked together, the number of startups with which the team has been involved, and any successful startup exits.
- Do not try to hide any weaknesses in team vacancies. Instead, indicate specific needs and the efforts underway and the planned timing to fill key missing roles.
- Include Advisory Board members that are expected to fill any skill needs until additional management team members can be added to fill the vacancies. Describe the value these individuals add to the business – customer connections, bringing products/services to market, startup disciplines, funding connections, etc. Including an Advisory Board in the Management Team section may warrant an additional slide.

12 - FINANCIAL PROJECTIONS – 5 YEAR PROFORMA

KEY INVESTOR QUESTION TO BE ANSWERED BY THIS SLIDE:

WHAT ARE THE ECONOMIC RESULTS (ACTUAL AND PROJECTED) FROM YOUR PLANS?

Financial Projections					
Values in \$1,000s					
	2014	2015	2016	2017	2018
# Customers	380	4,000	21,000	44,000	72,000
Gross Revenue	101	1,123	6,115	13,824	24,238
Cost of Goods	38	400	2,063	4,434	7,240
Gross Margin	63	723	4,053	9,390	16,998
SG&A Expenses	550	755	1,648	4,629	8,131
EBITDA	(488)	(33)	2,405	4,761	8,131

Current stats:

- .05 to 1% conversion rate
- \$240 average sale amount
- 65% average gross margin

Funding assumptions:

- \$500K angel/seed funding
- \$1 Million raise in 12 months

LOGO

Financial Projection					
Income Statement (\$ in ,000)	2017	2018	2019	2020	2021
Units	517	12,684	61,391	130,025	179,505
Net revenue	\$87	\$2,124	\$10,279	\$19,594	\$25,663
Cost of Goods	\$92	\$915	\$3,865	\$8,006	\$10,905
Gross Margin	(\$5)	\$1,209	\$6,414	\$11,588	\$14,757
Operating Expenses					
Admin.	\$47	\$380	\$981	\$1,737	\$2,024
Marketing	\$94	\$813	\$2,732	\$4,846	\$6,201
Product Dev.	\$64	\$305	\$476	\$913	\$1,135
Total Op. Expenses	\$206	\$1,576	\$4,577	\$8,233	\$10,661
EBITDA	(\$210)	(\$367)	\$1,837	\$3,355	\$4,096
Staff at Year-end	3	16	34	54	65

LOGO

KEY POINT OF THIS SLIDE:

- **MAIN:** To demonstrate a credible, profitable growth and profit plan that supports an Exit that meets investor objectives

SLIDE CONTENT IDEAS AND TIPS:

- Show the number of projected units (items, subscriptions, systems, consumables, etc.) sold by year.
- A 5-year, 8 to 10 line P&L. A Financial statement provides more information than charts and graphs.
- The Financial Proforma should be based upon supporting detailed plans in the areas of: Revenue, Product Development, Sales & Marketing, and Personnel Hiring. Other administrative expenses can be at a summary level.
- High, medium, and low scenarios should not be shown. What-ifs are reserved for future discussions. What is expected in the presentation is a best estimate based upon plans and milestones.

SCRIPT / ORAL DELIVERY CONTENT IDEAS AND TIPS:

- Explain the revenue ramp up. The value of a tech start-up is often pegged more to its revenue potential than to its EBITDA. For most tech startup, required investments in market development keep the business near or below breakeven in the early years. Focus your discussion more on your ability to grow the business than on the profit level.
- Describe any changes in revenue over time or revenue mix, especially with consumables and subscription renewals.
- Cite the timing of your cash flow breakeven point .Explain large ramp ups in growth, expenses, and profit.
- Your expected early bottom line cumulative losses should approximately tie to the amount of funding needed.
- Be aggressively reasonable. These figures should tie back to the addressable market and revenue model for credibility.
- Avoid describing your forecast as “conservative” as investors want the most realistic figures based upon more detailed plans.
- State only major assumptions if absolutely needed for understanding. Most assumptions should have been stated on other slides and need not be repeated here.

ADDITIONAL RESOURCES:

"FINANCIALS & BUSINESS PLANNING GUIDELINES"

"Software Company Financials"

<https://newenterpriseforum.org/Resources>

13 - FUNDING REQUIREMENTS

[Note: Funding Requirements are sometimes referred to as the “Ask”, but the term “Ask” should not be used for your NEF presentation because SEC rules might consider this to be a general solicitation of funds from non-qualified/accredited investors. Improper use of the term “Ask” could impact your ability to raise funds in general. It is, however, OK to change this slide later to include the term “Ask” if the presentation will be given directly to qualified/accredited investors/funds.]

KEY INVESTOR QUESTION TO BE ANSWERED BY THIS SLIDE:

HOW MUCH INVESTMENT MONEY IS NEEDED TO DELIVER SUCCESS?

Funding Requirements

- **Current Funding Need: \$500,000**
 - \$100,000 Product Development (Designer Reviews & Matching)
 - \$100,000 Marketing and Advertising Direct Expense
 - \$200,000 Two FTEs w/ focus on Marketing & Business Development
 - \$100,000 Legal & Overhead
 - **Outcome: 10,000 members, 380 customers and \$100K revenue**
- **\$1 million Additional Funding Needed in 12 months**
 - Product Development (Social Sharing & Ad Integration)
 - Marketing & Sales Growth
 - Sign flagship retail partner deal

LOGO

Funding

Prior Funding

Founders' Investment	\$45,000
A2 SPARK (In-Kind Service Grant)	\$4,000

Current Need	\$500,000	Use of Funds	
		Marketing / Sales	\$ 130,000
		Tooling	\$ 110,000
		Manufacturing Start	\$ 60,000
		Working Capital	\$ 200,000

Additional Funding Needed Q1 2018

LOGO

KEY POINT OF THIS SLIDE:

- **MAIN:** To inform potential investors of prior investments received, plus the current funding needs and the use of these required funds

SLIDE CONTENT IDEAS AND TIPS:

- Show funding to date, including from founders, friends and family, outside investors, loans, grant dollars, etc.
- Include only grant monies which have actually been awarded. Sweat equity does not count as previous funding.
- List (on the slide) the total amount being sought to meet current needs and what it will be spent on.

SPECIFIC CONSIDERATIONS TO AVOID CONFLICTS WITH SEC RULES:

[Note: Prior to your presentation, an NEF disclaimer will be read/displayed that explains that your presentation is intended for presentation practice purposes and is not intended as a solicitation of funds. The following points are intended to give you further guidance to produce presentation content that is consistent with this disclaimer and helps protect you from violating SEC rules.]

- The following content is to be avoided:
 - The specific type of funding anticipated.
 - The type of investor expected or targeted.
 - Any estimate of company valuation.
 - The mention of specific 'rounds.' (It is OK to mention future needs and timing, but the term 'round' may imply that the presentation is directed to investors.)
 - Any discussion of pending investor deals or term sheets.
- Specifically mention that funding needs are based upon Financial Projections and current company status, not prospective valuations, term sheets, and/or term sheet provisions.

SCRIPT / ORAL DELIVERY CONTENT IDEAS AND TIPS:

- Omit term sheet expectations and valuation figures for the business. This is best left for follow-up meetings, where potential investors will likely provide initial terms.
- If the current funding need is expected to be met through both equity and debt, say so, but be prepared to demonstrate that you can raise the debt.
- The use of funds should mathematically add up to your funding need as represented in your Financial Projections.

14 - THE EXIT

KEY INVESTOR QUESTION TO BE ANSWERED BY THIS SLIDE:

HOW AND WHEN DO YOU PLAN TO GIVE THE INVESTORS' MONEY BACK WITH A 10X RETURN?



Exit

Company	Acquired by	Value (Multiple)
 SENORX	BAIRD	\$213M (6x)
 SUROS	HOLOGIC The Science of Sure	\$250M (10x)
 biomagene innovative.digital.pathology	Roche	\$100M (15x)
 pathxl digital workflow excellence	PHILIPS	Undisclosed

KEY POINT OF THIS SLIDE:

- **MAIN:** To demonstrate an understanding of likely acquirers or other exit paths and give credibility to the timing and returns from potential exit paths

SLIDE CONTENT IDEAS AND TIPS:

- Logos of potential acquirers are often used for recognition and credibility.
- Targets are often identified with the dates and amounts paid for other acquisitions the targets may have made – even better if EBITDAs and revenue multiples are presented for companies acquired.

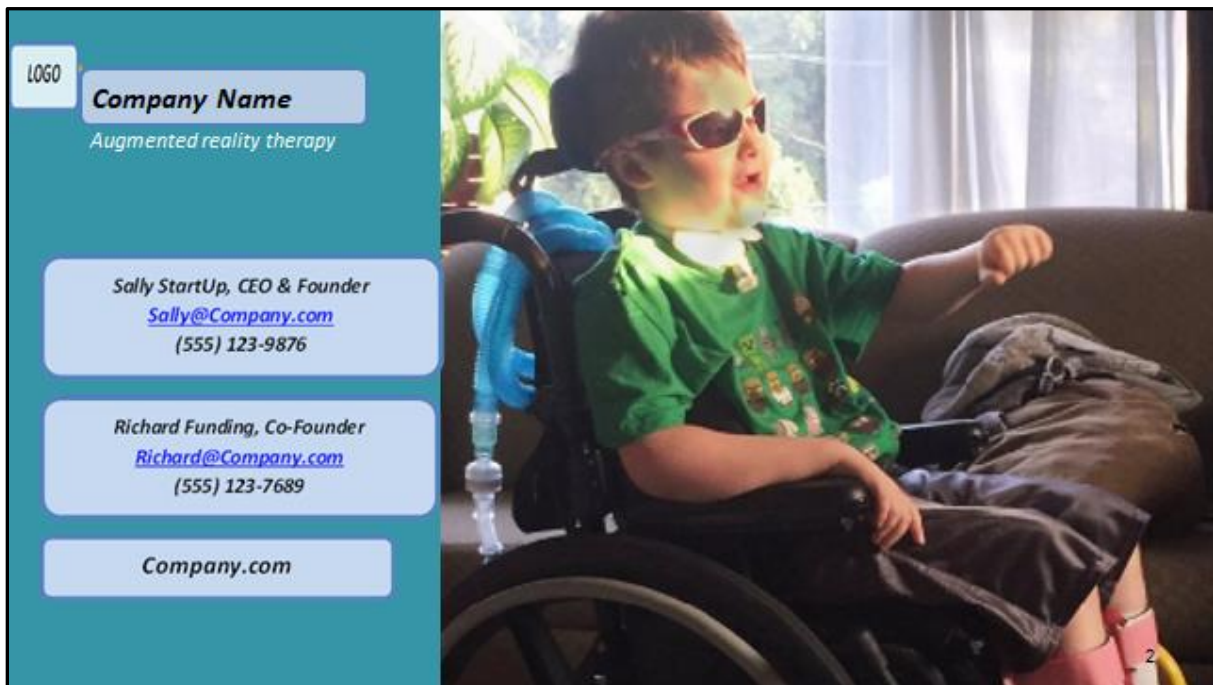
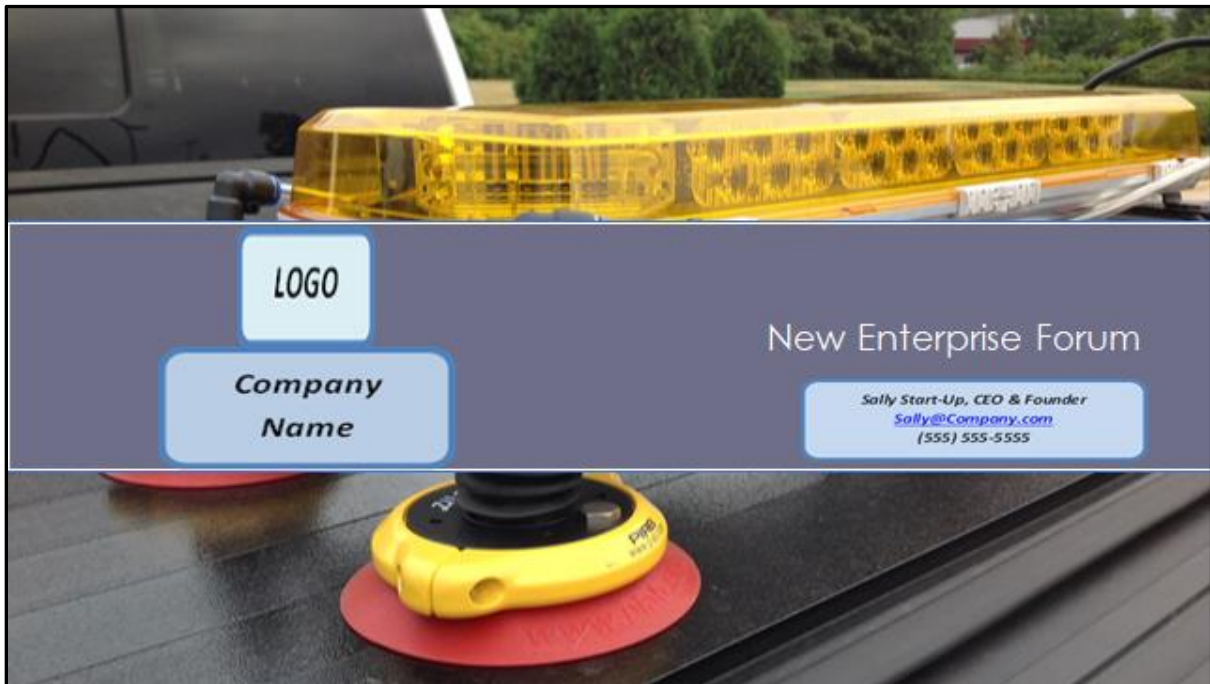
SCRIPT / ORAL DELIVERY CONTENT IDEAS AND TIPS:

- The majority of start-ups are acquired and will not seek an IPO. Identify likely acquirers for your business and any merger/acquisition activity they have had in the recent past with dollar amounts, if available.
- Describe examples of acquisition successes that match your exit strategy.

15 - CLOSING SLIDE

KEY INVESTOR QUESTION TO BE ANSWERED BY THIS SLIDE:

HOW CAN I GET IN TOUCH WITH YOU TO LEARN MORE?



KEY POINT OF THIS SLIDE:

- **MAIN:** To motivate the listener to ask for more information

SLIDE CONTENT IDEAS AND TIPS:

- This slide will stay up during the Q & A session and should provide complete contact information (name, email, phone, company website)

SCRIPT / ORAL DELIVERY CONTENT IDEAS AND TIPS:

- If there are aspects to your business which clearly differentiate it from other startups (for example, a signed development contract with a Fortune 100 company, which you would have discussed earlier), reiterate this. Otherwise, simply thank the audience for their attention and ask for questions.
- Only provide key take-aways when there is some aspect of your business which is truly unique. Avoid trite comments, such as; great team, huge market, best technology, etc.
- Avoid ending with words like: "I'm done" or "That's all I have", etc.
- Invite your audience to learn more, join the investment round, or other calls to action.
- Tell the audience where they can get a copy of your Executive Summary.

ADDITIONAL RESOURCES:

"The Question & Answer Session: Guidelines"

"Executive Summary Guidelines"

<https://newenterpriseforum.org/Resources>

Appendix: Telling Your Story – The Investor Thesis

NEF Investor Pitch - Questions To Answer Presenter Worksheet

Slide No.	Slide	Investor Question(s)	Seeks to:	Presenter Answers to Investor Questions
1	Title Slide	Who are you?	Provide contact information for presenter and company. Show logo/tagline.	
2	The "Hook"	WHY SHOULD I LISTEN?	Grab listener's attention in 30 seconds! Help investor understand the pain(s) your customers experience.	
3	The Problem	What is the BIG PAIN that exists without your solution, and IS IT STRONG ENOUGH TO DRIVE CUSTOMERS TO PURCHASE?	Succinctly define the root cause of the pain you are solving, its magnitude, dimensions, and adverse effects.	
4	The Solution	WHAT DO YOU DO THAT OTHERS DON'T? What is your FIX that will REDUCE THE PAIN and that USERS WILL PAY FOR?	Briefly describe how your Unique Value Proposition (UVP) (solution) solves the problem you address.	
5	Technology / Intellectual Property	Prove to me that YOUR SOLUTION WORKS!	With minimal jargon, give investors a snap shot of how your solution works, plus any Intellectual Property that will keep others from duplicating your technology/service.	
6	Competition	WHY DOES NO ONE ELSE DO THIS, and WHAT WILL KEEP OTHERS FROM DOING THIS or something better?	Compare and contrast how your product benefits stack up against current competitors and status quo.	
7	Market / Market Size	HOW BIG IS THE MARKET for your solution?	Define your markets, annual growth rate and estimate it's size in dollars.	

8	Business / Revenue Model	Tell me how you will MAKE MONEY, and prove to me that CUSTOMERS ARE WILLING TO PAY WHAT YOU PLAN TO CHARGE.	Explain how and what you need to monetize (make money from) your value proposition.	
9	Go-To-Market	Tell me how you will FIND, CONTACT, AND SELL to potential customers.	How will you sell your first 10, next 100, and next 1000 units/customers.	
10	Traction / Milestones	WHAT HAVE YOU DONE SO FAR (and what do you plan to do) that proves you can economically reach potential customers and that they are willing to pay your price for your solution?	Show what milestones must be met to achieve next valuation inflection point and when you will reach it using current raise	
11	Management Team	Prove to me that YOUR TEAM CAN DELIVER on both the solution and business plans.	Spotlight team members' skills, identifying what skills you are missing to reach your milestones and the role of your Advisory Board to fill team gaps.	
12	5 Yr Proforma	WHAT ARE THE ECONOMIC RESULTS (actual and projected) from your plans?	Support your entire story by showing 5 year, 8-10 line, Summary P&L from Product and Marketing plans and headcount.	
13	Funding Requirements <small>[This is sometimes called The "Ask." Because the NEF audience will include non-qualified/accredited investors, SEC rules prohibit the use of the term "Ask."]</small>	HOW MUCH INVESTMENT MONEY IS NEEDED TO DELIVER SUCCESS?	Show details of your financial needs (based upon your Proforma) to address cash deficits in order to reach your next valuation inflection point.	
14	The Exit	HOW AND WHEN DO YOU PLAN TO GIVE ME MY MONEY BACK WITH A 10X RETURN?	Potential acquirers, IPO, etc. with support for timing and amount.	
15	Closing Slide (with Contact Information)	HOW CAN I GET IN TOUCH WITH YOU TO LEARN MORE?	Provide contact information for presenter and company. [Re>Show logo/tagline. Leave displayed for Q&A.	