

The Perfect Business Plan, Presentation, and “Elevator Speech”



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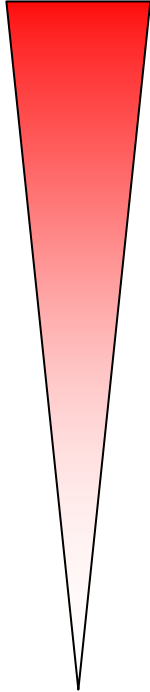
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Three Communication Tools

Detail



I. Business Plan

- Who, What, Why, When of your business
- Stand-alone document

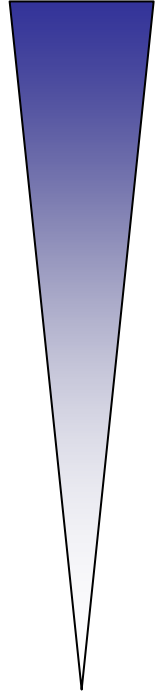
II. Presentation

- ~10-15 slides summary of business plan highlights
- Audience-specific

III. Elevator Pitch

- 30-60 second sales “pitch”
- Goal: listener requests more information

Time



Business Plan

Formal statement of a set of business goals, why they are attainable, and the plan for reaching them.



- 20 to 40 page document
 - What you do
 - Why you do it
 - When you do it
 - Who you are
- Stand-alone document for investors, employees, strategic partners
- A living document that changes as business climate changes

- Document meticulously reviewed for errors (grammar/spelling)
- Avoid unsupported colorful descriptions: “best system for you”
- Never exaggerate or inflate resumes or expertise



Business Plan: Outline

I. Problem or Need

- “The Hook”; the pain that exists without your product

II. Your Solution

- Proof that your solution works (data, customers, etc)

III. Technology and IP

- Patents, licensing agreements

IV. Market Size

- Sales potential = company growth potential

V. Sales and Marketing Strategy

- How will you reach customers?

VI. Competition

- Even Google had competition

VII. Business Model

VIII. Team

IX. Financial needs

- Use of proceeds

X. Exit Strategy

Executive Summary
2-5 page summary for
readers with little time



Business Plan: Key Sections

I. Problem or Need

- the pain that exists without your product
- Provide proof of the need for a solution

II. Your Solution

- Proof that your solution works (data, customers, etc)

In broad non-technical terms, explain how you will solve the problem and what is special about your solution.

III. Technology and IP

- Patents, licensing agreements

- Provides sufficient detail about your technology to convince others it creates value.
- Provides the status of IP protection (provisional, pending, etc)
- Does **NOT** convey proprietary or confidential technical information (NDA?)



Business Plan: Key Sections

IV. Market Size

- Sales potential = company growth potential

V. Sales and Marketing Strategy

- How will you reach customers?

- Does industry exist?
- Having actual, satisfied, paying customers adds a huge amount of credibility
- Sales strategy should be consistent with market operations
- Internal sales force? Sales reps? OEM? Distributors?

VI. Competition

- Even Google had competition

- What are the differentiating features of your company?
- What are the strengths and weaknesses of the competition?
- The greater knowledge/familiarity you can demonstrate regarding the competition, the better.



Business Plan: Key Sections

VII. Business Model

- How will you make a profit, and when?
- Your sustainable competitive advantage
- Risks and how to deal with them

- Profit from initial capital cost or recurring consumable cost?
- How do you protect yourself from “copy cat” competitors?
- Demonstrate knowledge of Technical Risk, Market Risk, Business Risk; Environment Risk and mitigation strategies

VIII. Team

IX. Financial needs

X. Exit Strategy

- Convince potential investors they can trust their money with the people running the company.
- Use of proceeds, planned milestone achievements



Business Plan: Key Sections

Executive Summary

- 2-5 pages included at the front of the business plan
- Often used as a stand-alone document

- Powerful selling tool which may be your only chance to catch an investor's attention
- It is very common for a potential investor to say, "Send me the Executive Summary, and if that interests us, we'll get back to you."



Business Plan: Key Mistakes

Marketing Fluff

- Unsupported descriptions of products, ideas, or personnel
- worn-out clichés: “leading edge,” “state of the art,” “innovative,” “synergistic”, “green”
- Focus instead on statistics, accomplishments (i.e. RESULTS!)

Longer is Better

- We have forgotten the art of conveying an idea in as few words as possible
- Your business plan is competing against others. Inform the reader with more information per minute than all the other plans.

Complicated discussions of product

- Focus on issues critical to company success
- Most investors don't care how Google Page Rank works



Business Plan: “All Aboard”

Before you start talking to investors, make sure the entire management team:



- Understands and believes in the plan
- Demonstrates passion, knowledge of the technology, and key critical factors
- Is comfortable and competent enough to respond to inquiries

Team members must understand their individual specialty as well as communicate the fundamental purpose, goals, and business strategy of the entire venture.

Be passionate! If you are not excited and passionate about your idea, why should anyone else be?

Presentation

Creative use of graphics and selective text to quickly address an audience



- 10 slides / 15-20 minutes total
- Uniquely tailored to audience (no jargon)
- Supplements business plan
- KEEP IT SHORT and ON-TIME
- 3-4 points per slide
- Goal: capture audience interest for more

Be passionate! If you are not excited and passionate about your idea, why should anyone else be?



Elements of the Presentation

Business Plan Elements

- I. Problem or Need
- II. Your Solution
- III. Technology and IP
- IV. Market Size
- V. Sales and Marketing Strategy
- VI. Competition
- VII. Business Model
- VIII. Team
- IX. Financial needs
- X. Exit Strategy

Presentation Elements

- I. **The Hook:** pain point with market data
- II. Brief description of product/service
- III. Brief market description with opportunity
- IV. Brief description of competition
- V. How you will make money
- VI. Partnerships and alliances
- VII. Sales and distribution plan
- VIII. The experience of the team, board, etc.
- IX. Five year financial forecast with milestones
- X. Investment request with ROI expectation



Presentation: The Hook



Identify the pain you solve

- We make Napster legal
- Have you ever had your cell phone fail inside a building?
- Have you ever had a case of food poisoning?
- Are you tired of high gas prices?

Connect with your audience by sharing a common pain.



Are your hands clean?



**Bacteria After
Touching Dishcloth**



© Food and Drink Federation (foodlink - www.foodlink.org.uk)



Market Need

Food Poisoning:	75 Million Cases
Hospitalizations:	325,000
Total Deaths:	5,000
Average Cost:	\$75,000
ESTIMATED TOTAL COST: \$225 Billion	

*Source: Center for Disease Control



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Presenting Your Product/Service

- **KISS** – Keep It Simple, Stupid
 - No more than 1-2 slides
- **Kill the geek speak**
 - Eliminate acronyms and jargon if not well-known
- **Kill the marketing fluff**
- **Focus on *customer* benefits, not *technical* benefits**
 - Focus on benefits NOT features
- **Be a story-teller**
 - Tell a story that paints a personal picture for your audience



Product Geek Speak Is Boring...

- **WRONG:**

Our technology is the first integrated and automatic book scanner that will scan and digitize bound documents at a speed of 1,200 PPM at a fraction of the cost of existing solutions based on a disruptive digital imaging technology initially developed at Bell Labs and protected by 12 patents.

- **BETTER:**

We capture the future of knowledge by digitizing physical libraries at a very low cost.



Marketing Fluff is for Talking Heads...

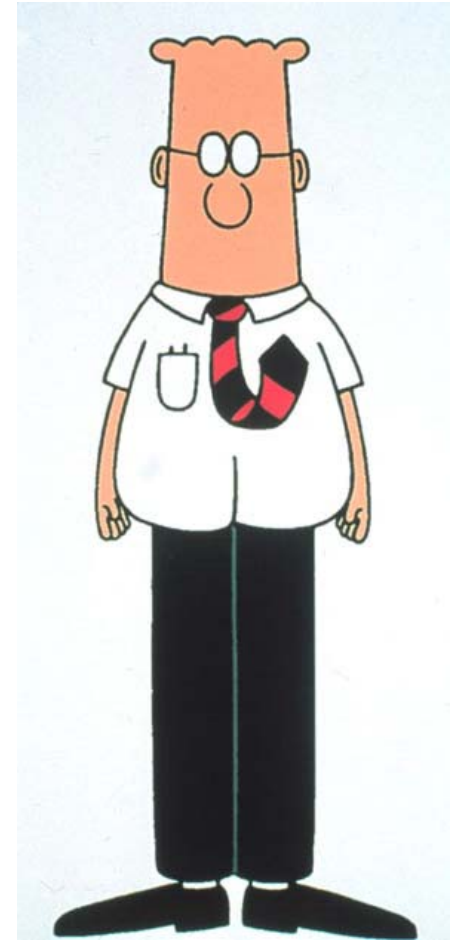
- **Straight from the Dilbert Mission Statement Generator:**

1. Our goal is to globally utilize virtual services in order to professionally facilitate timely deliverables to set us apart from the competition

2. Our mission is to continue to assertively leverage existing timely catalysts for change for 100% customer satisfaction

- **BETTER:**

Our secure wireless networks allow you to have a clear phone connection from inside any building located anywhere in the world



Focus On Customer Benefits, NOT Technical Benefits of Product

Technical Benefits

- Seamless integration
- Scalable, adaptable
- Secure networking
- Improves network performance

SO WHAT???

Customer Benefits

- Increase your revenues
- Reduces your risk
- Cut your costs by 30%





*InfiniPūr*TM Clean and Protect

- Long-Term Antibacterial Cleaner
 - Cleans and Protects Surfaces from Bacteria for 30 Days
 - Ideal for restaurants, daycares, hospitals, etc.
- Proprietary Formulations - 2 patents pending
- Product Benefits
 - Estimated 50% decrease in incidence of food poisoning
 - Reduced risk of lawsuits due to restaurant sanitation violations
 - Reduces costs by 25% for daycare sanitation processes



The Market Pitch – Tie to a Burning Need!!

- ID the problem or need you solve in 1-2 sentences
 - *We allow any cell phone to work anywhere inside buildings that utilize our wireless network solution.*
- Reference a brand-name customer that is using your product (or that has expressed interest)
 - *The FAA has determined that we are the only security system that is able to rapidly move people through security check points while exceeding their security needs*
- Quantify your market size with numbers that are from a trusted 3rd party source
 - *According to the American Hospital Association, there are 4,000 hospitals in the U.S. that need the ability to visualize MRI images in 3D*



Target Market

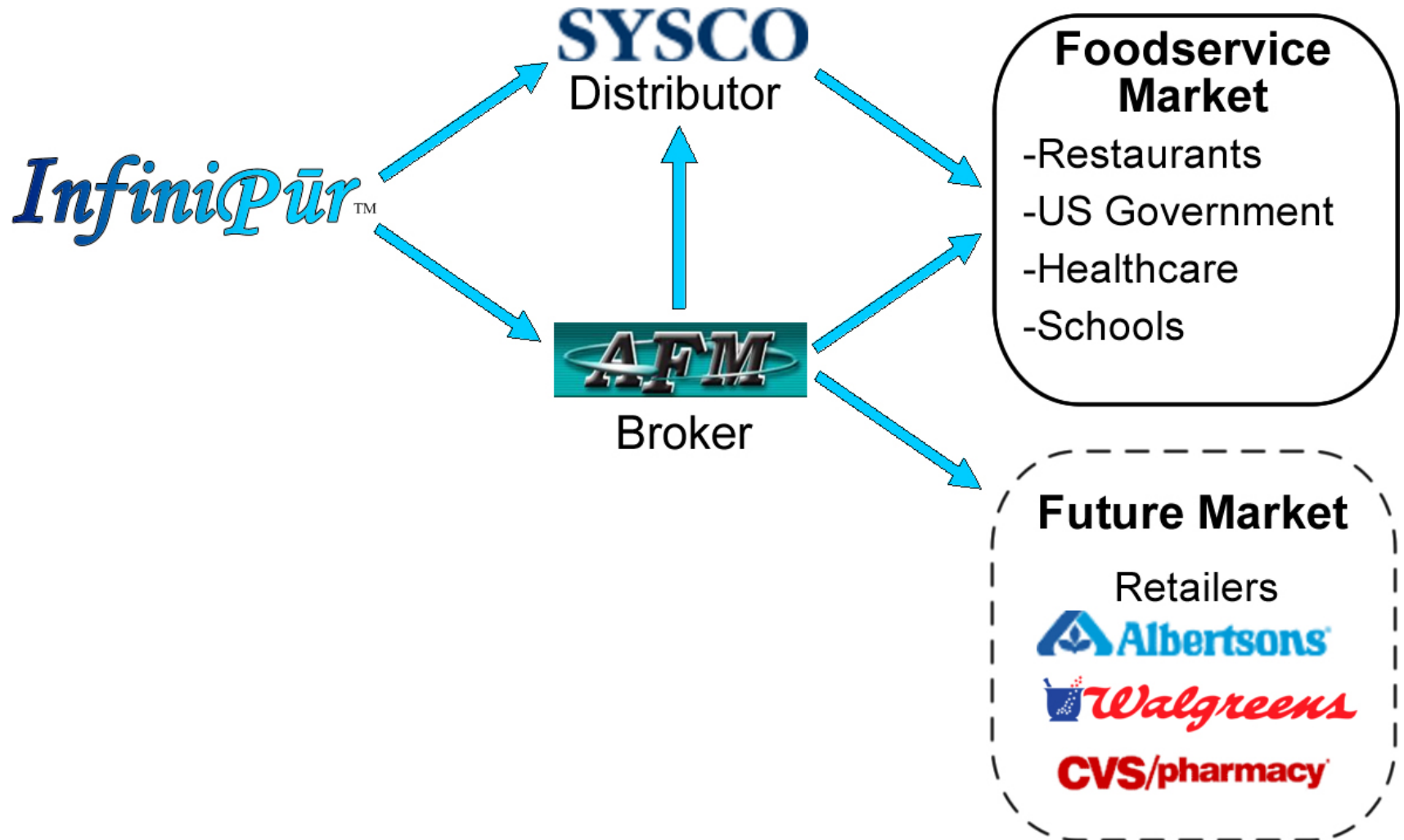
\$2 Billion Market for Food Service Sanitation Products

Target	Opportunity
Restaurants	1,000,000 restaurants in US
US Government	\$300 Million Spent on Cleaners Annually
Health Care Facilities	214,000
Schools	100,000

*Source US Census Bureau



Sales & Distribution Plan



Our Strategic Partners

R&D



Product Broker



Distribution



Know Thy Competition & Acknowledge It

Microsoft



You

“Yeah-Buts” to
neutralize



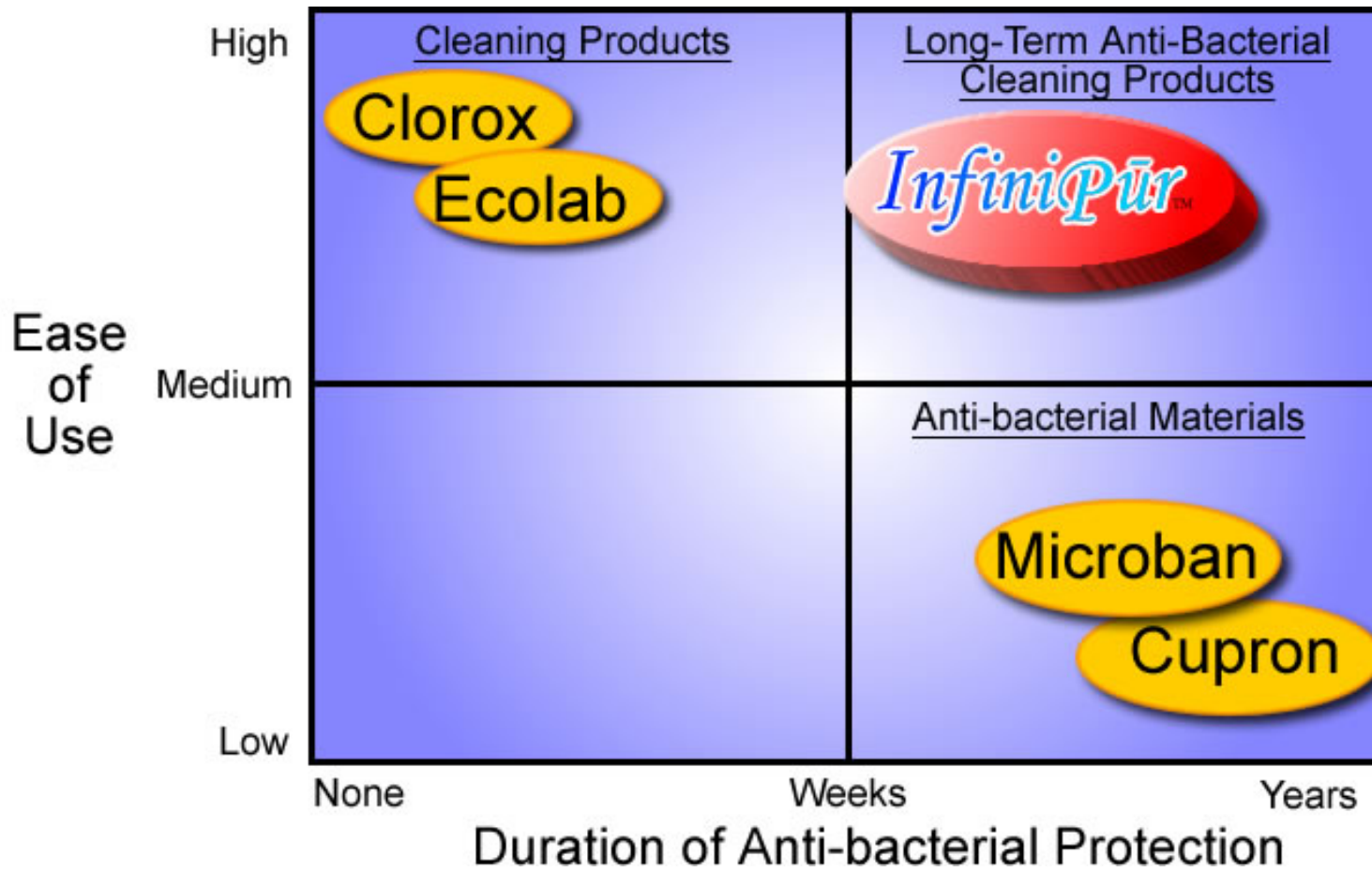
Neutralize Your Competition



- Pitch 1-2 Unique Differentiators that paint a picture
 - We use the same insulin compound provided in Merck's drugs, but we allow children to take an oral dose instead of a shot
 - There are many flavors of PDA keyboards, but ours is the only one that folds into the PDA device when it is not in use
 - While there are many wireless router boxes on the market, ours is able to send signals through cement and steel walls
- Don't forget status quo or homegrown solutions



Competitive Landscape



So, How Will You Make Money?

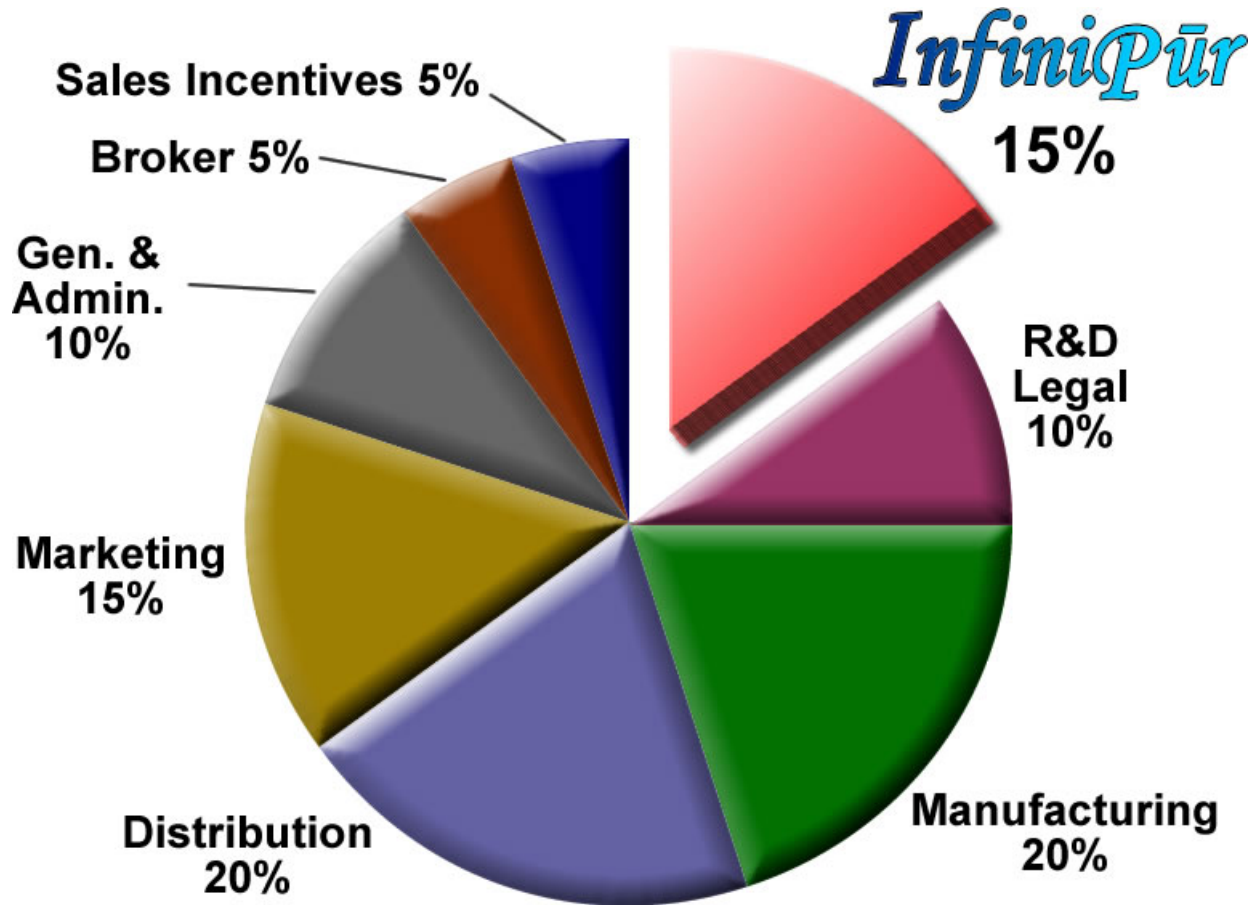
Your Business Model

- Simple description of your business model
 - We will install the wireless network in a building at no charge, and then charge a usage fee for all calls that we carry
 - We provide free access to our medical information website for consumers, and charge advertisers for each exposure
 - Our portable fuel cells will be installed in laptops, and we will receive a royalty from Dell for each installation



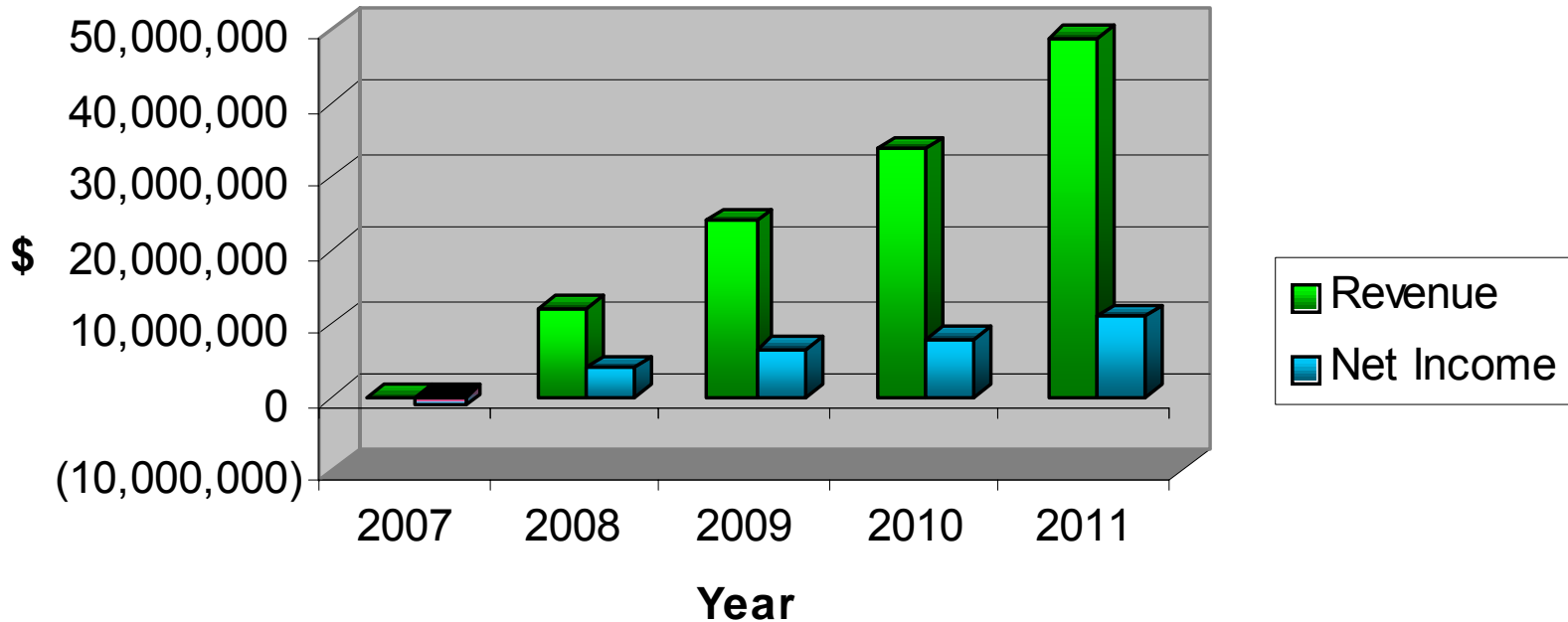
Product Cost Analysis

\$100 Per Case



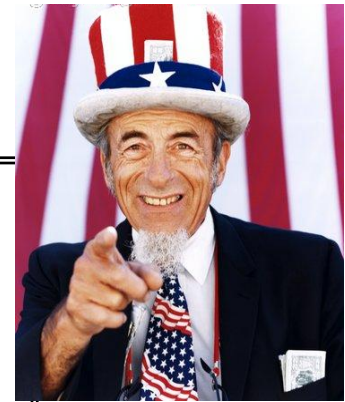
Financial Summary

Revenue and Net Income



Why Invest in You?

- Fact – investors invest in people, not products
 - Our founders have over 20 years of combined experience in the telecom industry
 - Our board includes two top executives in the restaurant franchise industry
 - Our technical staff has a combined portfolio of over 30 medical device patents
 - We just recruited John Smith to run our sales team. You may recall that John took Google from \$3 million to \$100 million in sales in two years.





Management Team

- **Adam Hill, CEO**
 - Summa Cum Laude
 - BS in Business/Entrepreneurship
 - Extensive Restaurant Experience

- **Jack Henkel, President**
 - MBA in Finance
 - Extensive Product Development Experience
 - Restaurant Experience





Our Board of Advisors

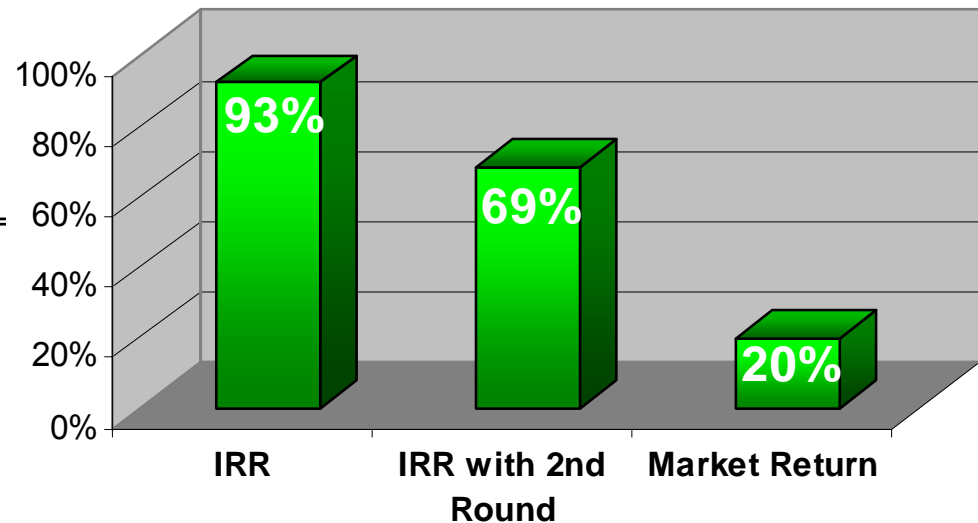
- Dr. Kevin Bellfield, UCF Dean of Chemistry
- Joe Lee, Former CEO Darden Restaurants
- Hank Varnell, CEO SYSCO FS of Central Florida, Inc.
- Paul Haire, CEO AFM Brokers



Offering

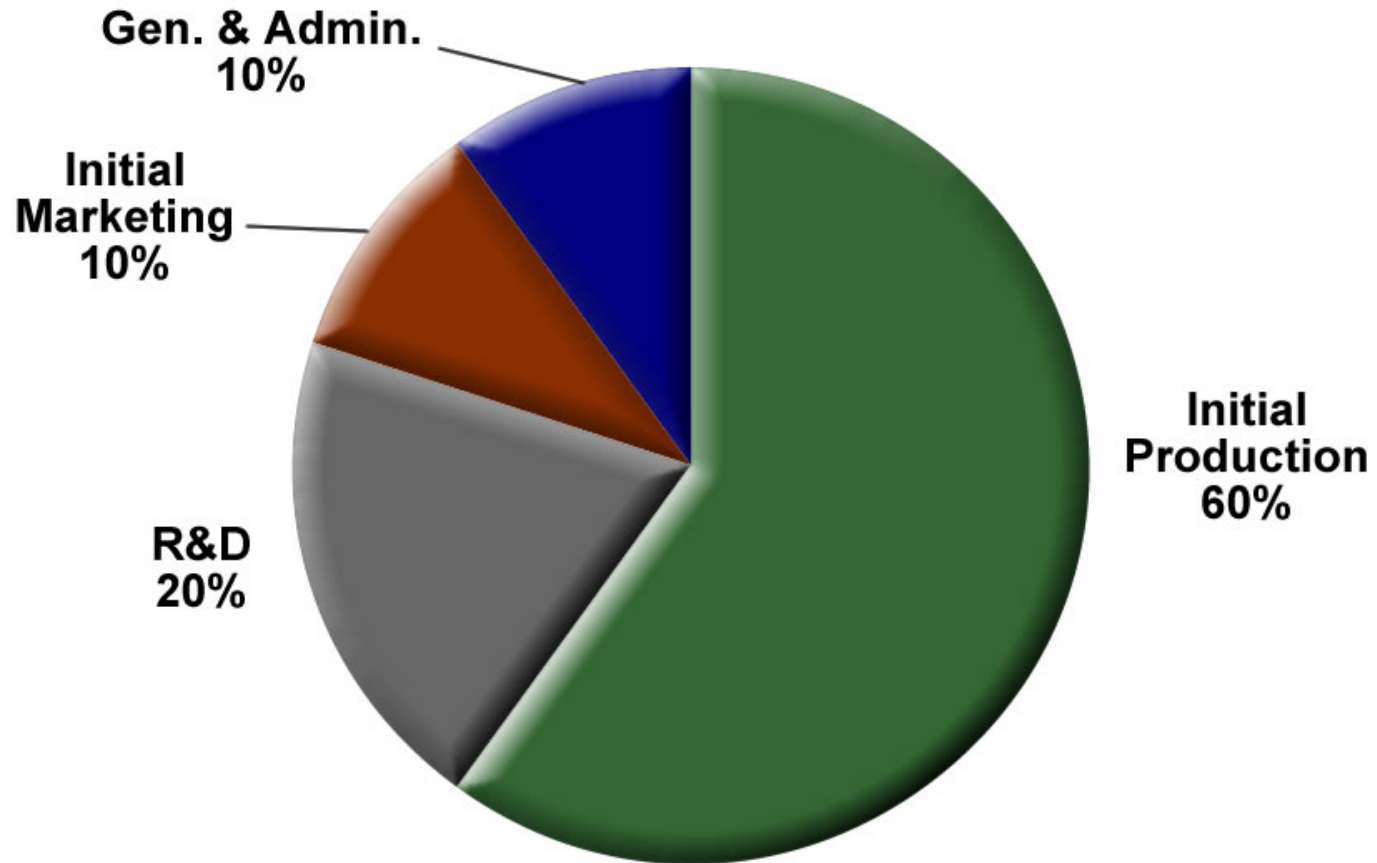
- \$1.5 Million Seed Investment
- 25 % Ownership Stake
- 5 yr IRR of 93% with No Additional Rounds Needed
- With Round 2 Investment of 15% to Accelerate Growth
 - 5 yr IRR of 69%

Investor's Return



Use of Proceeds

\$1.5 Million Investment





*InfiniPūr*TM

A Great Investment

- **Urgent Market Need**
 - Ongoing Food Poisoning Threat
 - Billions Spent on Legal Defense Fees
- **Proprietary Products**
 - Unique Competitive Advantage
 - High Barrier to Entry
- **Motivated Management Team with High Profile Board of Advisors**
- **Unparalleled Return on Your Investment**



Elevator Pitch

A 30 to 60 second sales pitch designed to convey your idea and prompt the listener to ask for more information



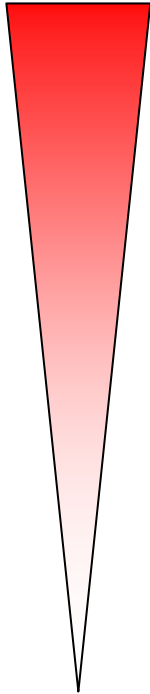
- Pitch should cover:
 - The need or problem your venture addresses
 - Why your solution is effective
 - The benefits
 - Who you are and how to contact you
- Write it down, revise, revise, practice, practice until perfected
- Get feedback from mentors and other entrepreneurs

- Preparing the elevator speech takes time, effort, and skill.
- You probably won't get it right the first (or the second or the third) time you try. Persevere, and practice some more.
- The entire Team should feel comfortable with the speech and be able to deliver it at the drop of a hat.



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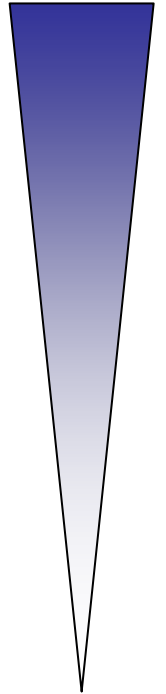
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Questions?

www.venturelab.ucf.edu - lots of templates!



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