

The Art of Pitching...

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A little about me...

- Katz MBA – 1992
- Big Company Experience: Deloitte (1988 – 1991 and 1993 – 1995)
- Entrepreneurial Experience
 - Internet Securities (Information, CFO) – Sold to Euromoney in 1999
 - STORM (Software, CFO) – Sold to Red Leaf in 2000
 - IVW (Consulting and Venture Capital, Senior Managing Director and CFO) – Crashed and Burned in 2001
 - Plextronics (Material Science, CEO) – Sold to Solvay in 2014
 - OThot (Predictive Analytics, CEO) - ????
- Class room experience
 - CMU: Adjunct Professor of Entrepreneurship (early to mid 2000's)
 - Pitt: Adjunct Professor of Entrepreneurship and Analytics (2014)
- Over \$200 million in venture transactions with angels, small and large VCs (all over the country), leveraged buyout firms, and corporate partners

The Objective of the Pitch...

Is to cause action

But who's hitting?



Investor?



Customer?



**Potential
Employee?**

What's the situation?

The Elevator Pitch



2 Minutes...

To cause action:

“I need to hear more.”

But make sure you want to cause action – beware the entrepreneurial voyeur...

Elevator Pitch: Three Step Formula

1. Show Excitement

- “I am working on new technology that will change the world”
- “I am working on technology that will solve a huge problem”

2. Read the cue (This is about engagement)

- “Tell me about it” -> Okay...
- “Raised eyebrows” -> You seem skeptical, why is that?

3. What are the three most important items that will cause the desired action?

- The next generation of electronic devices will be printed from an inkjet printer. (**An intriguing statement**)
- This will enable Samsung, LG, and others to reduce the cost of electronics (such as displays) by 10x and allow devices to be printed on any surface – refrigerators, tabletops, clothes. This is the future displays and electronics everywhere. (**An easy explanation**)
- The missing piece of the puzzle is affordable, scalable semi-conductive and conductive inks that can be printed from inkjet printers. Our team at CMU has solved this problem and our vision is to see our inks in every printed electronic device. (**How you fit into the scenario in a big way**)

What's the situation?

The Meeting...



30 Minutes to 1 hour...

To cause action:

“I want to do due diligence”

But make sure you want to cause action – wasting time is the worst outcome

The VC Pitch: The Critical Elements

1. What's the Pain?

- What Problem are you solving or opportunity are you creating?

2. How Acute is the Pain?

- Does anybody care?

3. How Many "People" Have this Particular Pain?

- This is all about market size

4. "What is Your Pain Relief?"

- What is the solution that you have created?

5. Why Do You Have the Best Team In the World to Solve this Pain?

- This is all about the people

6. Why Won't Someone Else Win?

- Is your solution protectable or can you create a massive first mover advantage?

The VC Pitch: The Critical Elements

1. What's the Pain?

- Slide 5

2. How Acute is the Pain?

- Slide 7

3. How Many “People” Have this Particular Pain?

- Slides 7 and 14

4. “What is Your Pain Relief?”

- Slides 11 and 21

5. Why Do You Have the Best Team In the World to Solve this Pain?

- Slide 28

6. Why Won't Someone Else Win?

- Slides 17 and 23

Taking the Audience to the Next Level

The Business Model: How will your company make money?

- **Revenue:**
 - How and why will people or companies pay you money?
 - How will you price your products: VALUE BASED PRICING
- **What are your gross margins and ability to scale?**
 - Revenue less cost to “make the product”
 - High: Information, Pharma
 - Great: Software
 - OK: Consulting
 - Tough: Manufactured products
 - Very Hard: Grocery Stores
- **Do you understand the cost to acquire a customer?**
- **What milestones have you reached already?**
- **What milestone will you reach with the money you raise?**

**If your team can
answer these questions
in a brief and clear way
you will set yourself
apart from “**your**
competition”**

[www.slideshare.net/
slideshatrock/how-to-
pitch-a-vc-redesigned](http://www.slideshare.net/slideshatrock/how-to-pitch-a-vc-redesigned)

CHECK THIS SLIDE SHOW OUT FOR A SIMILAR VIEW