



This Investor deck is distributed by Pitch Pro in partnership with CapStack West. As with all guidelines, the messaging and content specific to your companies' needs may require further discussion or support from experienced coaches.

Welcome to PITCH PRO. You have made a very smart and critical decision in your company's success.

The importance of a strong focused CEO cannot be overstated. Everyone, including your partner(s) are relying on you to raise the funds and guide the organization. (Note: *raising funds was put first over guiding the organization*) Though you will eventually be working with a board of directors, you will first need to attract them as well as early stage investors from both Friends & Family as well as Angels.

Learning to present and discuss your new company prior to developing bad habits and turning away early investors is the right choice. If you have a company and need to accelerate your fund raising, Pitch Pro will give you that edge, wisdom and presentation 'hacks' to go to the next level. We have trained hundreds of successful CEO's and business leaders.

Having a high level knowledge of your company (key points about each aspect of your company), is the first phase of being able to present with confidence. Let's get started.



**Slide 2:** As an entrepreneur you're already beginning to process information like a CEO, or you are an experienced CEO looking to tune up your fundraising skills. Remember, you don't need to have an explosive spectacular pitch...on the contrary, you need a pitch that answers the immediate questions every investor has in the beginning of a relationship....who, what, where, why, when, how.....

But as I discovered, when I was a CEO back in the 80's and 2000's, you have a lot of information in your head that investors don't need...YET. At the beginning of your pitch, they may not be very keen on your ideas or company. That doesn't mean they are not potential investors. If you do your job right, you'll compel them to see the upside, the risk you have mitigated and the strengths of your organization.

So, stay aggressive but act intelligently and realize an investor can be anyone you meet. They have no idea what you have accomplished, what you have created and how you will move the company forward. If you can, tailor your pitch to their background – even better.

**Tangents = Trouble – stay on your pitch story.**

**KEY POINT:**

**In 5 minutes, a day over a few days a week, you can tune and review your pitch to become intimate with the message and nuances of your industry and company. That helps investors trust your message because your comfort with the topic, not with pitching, is apparent.**

**Complexity stalls investment deals.**

# Investors Have 2 Primary Drivers

## What Are They?

- *Hint*
- *The obvious one – to **make money***
- *The second one?*



**Slide 3:** Wouldn't it be nice if you knew the primal driving forces that investors use to make a decision for investing their money? Once you understand these concepts, you will build better pitch decks, executive summaries and introductory emails because you will have tapped into the foundation of every investing decision.

### **KEY POINT:**

#### **THEY DON'T WANT TO LOSE MONEY**

From the investor's perspective, it may have taken 20 or more years to amass the funds to invest. Or they may have been granted the responsibility of managing family money, or limited partner (LP) investments. Take a minute to think about that fact before you prepare your pitch deck.

Build trust and confidence. Mitigate risk on every page of your deck.

## Deck Overview

### Length Doesn't Matter

- **SIMPLIFY YOUR MESSAGE**
- **STAY AT 60,000 FEET**
  - highlighting all key aspects of your organization NOT JUST PRODUCT/SERVICE
- **COMPELLING TO INVESTORS**
- **CREATE INVESTOR CONFIDENCE AND INTEREST**
  - Leads to early due diligence investor meetings
- Don't fill slides with the maximum amount of content



**Slide 4:** I cannot count all the times I've heard an investor tell me what type of pitch they prefer. Short, long, detailed, pictures are easier to understand – on and on. The reality is that every pitch has to have the same information in it. Regardless of how short or long it might be. Pitch Pro will give you all the tools and information to use as a foundation to pitch like a pro.

#### KEY POINTS:

**COMPELLING TO AN INVESTOR MEANS THE OVER ALL COMPANY & INVESTMENT DEAL ARE GOOD – NOT THE PRODUCT OR SERVICE. IF JUST THE PRODUCT/SERVICE WERE IMPORTANT, THEY'RE RESPONSE MAY BE TO OFFER –**

1. **THEIR OWN PEOPLE TO MANAGE YOUR COMPANY,**
2. **GIVE YOU A TERM SHEET THAT IS OWNEROUS OR**
3. **JUST WALK AWAY WITHOUT GIVING YOU A REASON. i.e. "It's not my space."**

**SPEAK THE LANGUAGE OF INVESTORS - \$ AND %'S. INVESTORS ARE LOOKING AT WHAT THEIR MONEY WILL DO AND HOW IT WILL GROW. THEY THINK IN TERMS OF DOLLARS. TALK TO THEM IN THEIR OWN TERMS.**

**CREATE INVESTOR CONFIDENCE.**



**Slide 5** Your company is valuable. You know it but they don't, yet. When you talk to a banker, investor or friend, you downplay its value or my favorite comment by a CEO, "We are going to be a billion-dollar company". Both are dangerous since you haven't built any value. So, after the small talk, ask for their permission and get the presentation rolling!

**KEY POINT:**

**THE ORDER OF THIS PRESENTATION GIVES THE CEO THE ABILITY TO BUILD CORPORATE VALUE. WHERE AS A DECK THAT PUTS THE ASK FIRST CREATES A COMPARATIVE ANALYSIS FOR THE INVESTOR. THEY ARE NOW COMPARING YOUR ASK WITH THE KEY BENEFITS OF YOUR COMPANY. WHETHER YOU LIKE IT OR NOT.**

This is a guide to the order of slides. Note: If your team is new to business or the industry that you are entering, it may be better to put the team slide later in the deck.

Remember that you are building value throughout the deck and presentation up until you present the ASK.



# SLIDE 1 Introduction

## FOCUS: The Audience Doesn't Know You

### GRAPHICS

Company name or logo

### TEXT

Presenter name and title

### VERBAL

Elevator pitch

Main brand points or

Analogy of product/service

Background if relevant (personal or corporate)

Keep the opening short and concise



Examples




**Slide 6:** All eyes should be on the presenter not the slides. Since this is the first slide, the presenter should capture the audience. Less on this slide is more 'important'. Simple is good, slides do not require heavy graphics. The speaker should be the focal point, not the slides. They are only a simple map to remind the speaker and investor of the key points

When giving a verbal pitch, the slides can contain less information, no need for full sentences or descriptions.

## KEY POINT:

**YOU ARE THE CEO. YOU ARE LEADING THE PRESENTATION. KEEP ALL EYES ON YOU AND NOT ON A WORDY SLIDE THAT TAKES THE INVESTOR OFF OF YOU.**

**YOU HAVE A LOT OF INFORMATION IN YOUR HEAD, AS DOES YOUR TEAM. HOWEVER, WHEN PRESENTING YOUR COMPANY, DON'T DO A BRAIN DUMP ON THE AUDIENCE. TEASE THEM WITH VALUABLE POINTS, SIMPLE GRAPHICS AND COMPELLING INVESTMENT BULLETS.**



SLIDE 2

The Problem


*The ONLY emotionally focused slide in your deck*

**In 3-5 bullets**

- What problem do you address?
- How does this problem effect a market?
- Who is affected?
- What is the market waste or \$'s & %'s that are impacted?

**Problem slide and Solution slide should contain identical points**

- Accelerates the ability of the audience to capture the value proposition
- They won't be interested unless you can get them to feel the pain



**Slide 7:** When giving this slide, commit to the key points that are tied to dollars, percentages and emotions. Ex. If you are talking about the waste of products that have been purchased by a consumer, be sure and describe it in both \$ and %. Investor, though they may have a passion for something, do not necessarily want to invest in it. Oppositely, they may see a mundane industry/product/service with great revenue potential as an excellent investment.

**KEY POINT:** *Be the conduit for the investor to quickly learn about the problem you will solve.*

**SIMPLE EASY TO UNDERSTAND BULLETS THAT TIE THE INVESTOR TO THE EMOTION OF THE ISSUES. GET THE INVESTOR EMOTIONALLY INVESTED IN THE PROBLEM.**

**SPEAK CONSISTENTLY IN THE LANGUAGE OF INVESTORS - \$ & %**

# SLIDE 3

## Solution

- Brand Statement or Simplified Message
- Solve the bullets from Slide 2 – The Problem
- Illustrate the company's solution in a simple graphic



**Slide 8:** Tie the problem and solution slides together by using the same bullet points. However, on the solution slide you just solve each problem. By mimicking the bullet points, investors can quickly correlate the problems directly to your solution

### KEY POINTS:

**TIE THE PROBLEM SLIDE TO THE SOLUTION SLIDE USING IDENTICAL WORDS AND CONCEPTS. THIS ENSURES THE INVESTOR UNDERSTANDS THE RELATIONSHIP BETWEEN THE PROBLEM AND YOUR SOLUTION QUICKLY. WITHOUT THIS, THE INVESTOR IS CONTINUALLY TRYING TO UNDERSTAND THE NEED FOR YOUR PRODUCT OR SERVICE.**

**REMEMBER THAT THE INVESTOR IS LOOKING FOR A COMPANY WITH A STRONG FINANCIAL MODEL, BE SURE TO MENTION THAT YOUR SOLUTION HAS EXCELLENT PROFIT POTENTIAL.**



# SLIDE 4

## Company Status

Build investor confidence in your company

- The year company formed
- Funding to date
- Customers and contracts
  - Revenue from paying customers
  - Sales pipeline
- Strategic partners
- Intellectual property – patents, trade secrets etc.
- Product development status (alpha, beta, release)
- Other significant information



**Slide 9:** Show pattern, tell the story of your success in a few key bullets. It's all about the execution of your plan. There are a few key areas that investors look for when reviewing your status; are you making relationships that help your company enter the market quickly? Have you received any IN-KIND work from partners, manufacturers or advisors that will advance your companies initiatives (*Do existing company leaders trust you and your vision enough to engage*)? Did you think through your intellectual property protection or is it even protectable? Do you have agreements in place with any or all of the above?

*"Never underestimate the power imagination plays in the quest to succeed." Sharon Lechter, Author, Investor & Business Woman*

### KEY POINTS:

**CRONOLOGICALLY SHOW THE INVESTOR THAT YOU ARE EXECUTING ON YOUR PLAN.**

**YOU DON'T NEED DETAIL. EX. LIST IP AND ITS BASIC FUNCTION. SO YOU MIGHT PUT – 4 AREAS OF IP AROUND DISTRIBUTION AND CUSTOMER ENGAGEMENT**

**ENTREPRENUERS CREATE A COMPANY OUT OF NOTHING. SHOW THE INVESTOR YOU ARE DOING IT.**

# SLIDE 5 Team

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Provide a list of the company's leadership team (no more than 4)

- Include name, position, experience statement as it pertains to your company

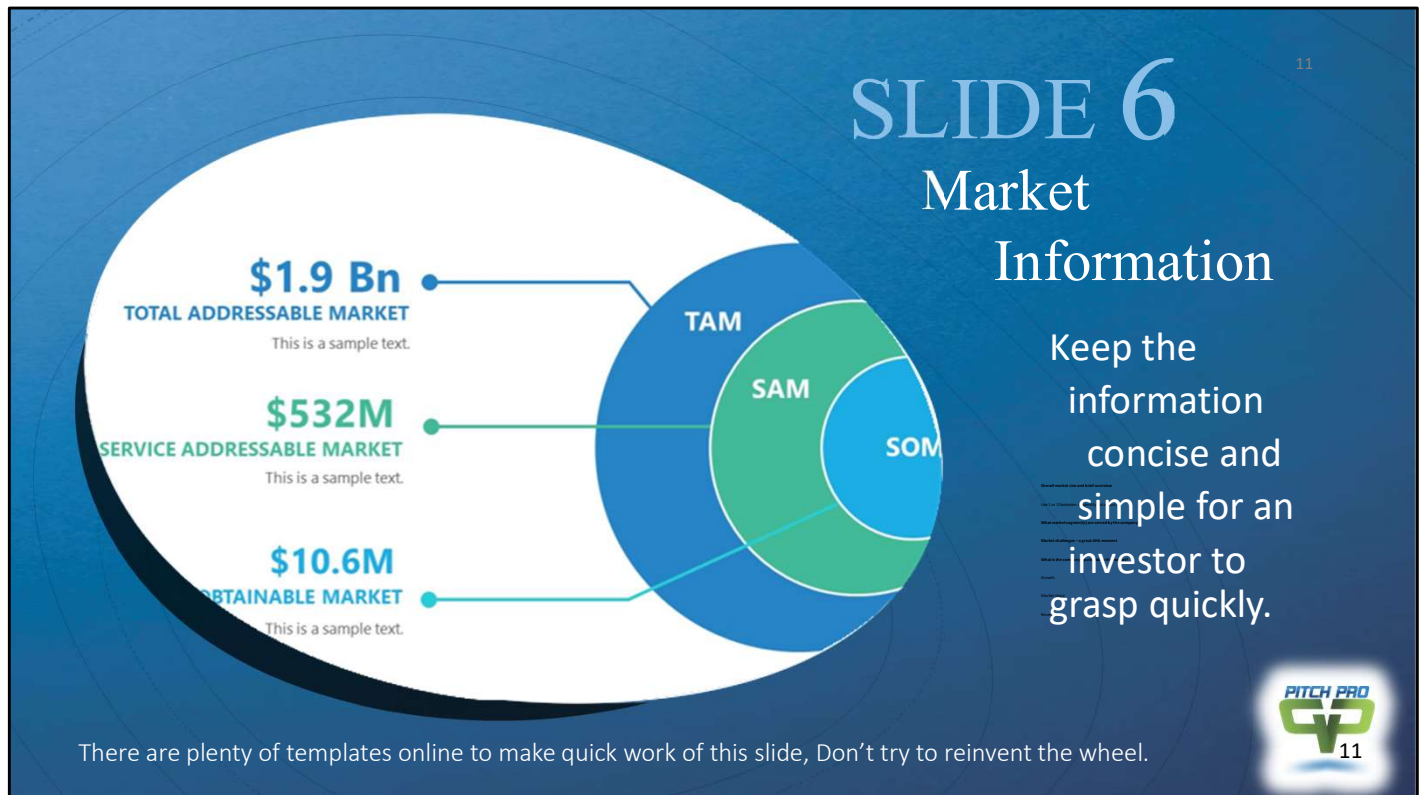
Provide a list of company advisors

- Include name and experience



**Slide 10:** Only executive team members, tie their experience to their positions within your company. No need to list all their accomplishments, but you can speak to key team members verbally.

**KEY POINTS: WATCH OUT FOR LISTING ADVISORS. THERE IS A RIGHT AND WRONG WAY TO DO IT. INVESTORS WILL CHECK YOUR CAPTABLE AND DISCUSS WITH YOU WHICH ADVISORS INVESTED CASH. IF NONE HAVE INVESTED, THEY BETTER BRING KEY RELATIONSHIPS TO THE TABLE....**



**Slide 11:** Alfred Hitchcock, a famous movie maker of the 60's & 70's used a very clever method of taking the audience on a fast journey to his main subject in a film. He would start from outer space, then go to the earth, the north American Continent, a state, city and finally a man on the street. It is a standard drill down from total population, segment, roadmap, TAM, SAM, SOM

Focus is the key to this slide. When starting a company spaghetti throwing is a normal practice – however, talking to every open opportunity in hopes of gaining traction creates question marks in the investors mind. Think vertical and not horizontal. However, if you want to wow an investor, surveying customers and focus groups do more to define your market and save precious resources in the growth of your company.

### KEY POINT:

**QUICKLY DEFINE YOUR TARGET MARKET BY GOING FROM – GLOBAL>(YOUR CONTINENT)> REGION>LOCAL or TARGET MARKET. IF THE TARGET IS A VERTICAL, IDENTIFY IT BY NUMBER OF \$/COMPANIES/PROSPECTS ETC.**

**DON'T USE PERCENTAGE OF PENETRATION AS A DEFINITION OF YOUR GROWTH, MARKETS ARE TOO LARGE THESE DAYS AND RARELY DOES A COMPANY ACHIEVE EVEN 5% PENETRATION BEFORE IT EXITS.**



# SLIDE 7

## Go To Market

- Customer Profile – 2 to 3 characteristics
- Customer Acquisition, Engagement and Retention
- Customer acquisition cost
- Key out reach program(s)
- Current and potential channel or sales partners
- Sales process

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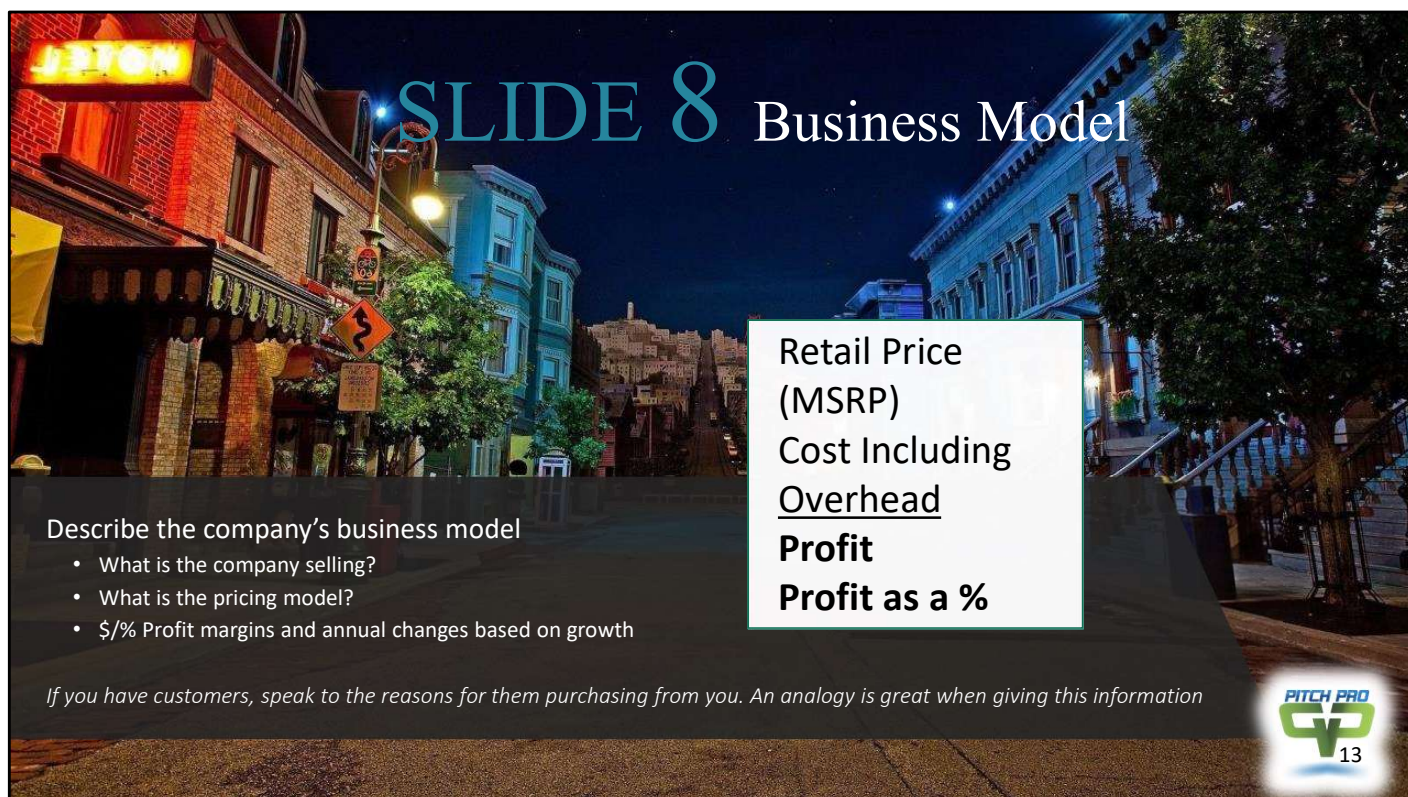
**Slide 12:** Have you defined your customers? Is there a segment that is “IMMEDIATELY AVAILABLE” so to speak? How do you reach them quickly? Are they small customers so the sales cycle is short and more importantly, that if there is a hiccup, you won’t damage your reputation industry wide? Do you need industry influencers to solidify your brand position? What does your prospect want as a proof of concept or pilot period?

### KEY POINTS:

**UNLESS YOUR TEAM IS PEPPERED WITH TOP SALES PEOPLE, A CHANNEL STRATEGY MAY HELP MITIGATE THE RISK, FOR INVESTORS, THOUGH IT MAY COST YOU IN MARGIN DOLLARS AND TRAINING CYCLES. THEREFORE, KEEP YOUR MARGINS AS HIGH AS POSSIBLE BY DEVELOPING PARTNERSHIPS WITH MANUFACTURERS, PROGRAMMERS ETC.**

**TRACTION IS VITAL TO DEMONSTRATE YOUR ABILITY TO EXECUTE ON YOUR PLAN. START CONVERSATIONS WITH PROSPECTIVE PARTNERS EARLY. AND AS ALWAYS, DON’T SHARE HOW YOU ACTUALLY DELIVER ON THE COMPANY’S VALUE PROPOSITION, JUST DESCRIBE THE OUTCOME AND BENEFITS TO YOUR PROSPECT. DISCUSSIONS CAN TAKE MONTHS TO BARE FRUIT – DON’T WAIT TILL THE LAST MINUTE TO GET THEM ROLLING.**





# SLIDE 8 Business Model

Describe the company's business model

- What is the company selling?
- What is the pricing model?
- \$/% Profit margins and annual changes based on growth


*If you have customers, speak to the reasons for them purchasing from you. An analogy is great when giving this information*

Retail Price (MSRP)

Cost Including Overhead

Profit

Profit as a %



**Slide 13:** The Business Model slide is very important, as you well know. It is critical that you simplify the equation for how you make money, profit, etc.

Many times the actual item the company is selling is not the product they make. They may sell lifestyle benefits or savings by replacing existing systems. When you started the company, you may not have walked through the steps of how you will sell your item, service or combination there of. It is vital that you work your numbers, test the market and refine your scenario before presenting to an investor.

## KEY POINTS:

**IN THE SIMPLEST OF TERMS, DEFINE HOW YOU MAKE MONEY. MANY TIMES A SIMPLE EQUATION IS THE QUICKEST WAY TO DEMONSTRATE YOUR MODEL. EQUATIONS CAN BE EASILY UNDERSTOOD**

RETAIL PRICE -	\$100
DISTRIBUTOR -	\$60
<u>MANUFACTURING COST (COGS) –</u>	<u>\$10</u>
GROSS REVENUE -	\$50
G&A -	\$7
NET REVENUE -	\$43
NET REVENUE AS A % OF GROSS -	86%



# SLIDE 9 Competition

Features	Wale.rocks	Mandolin	Social Stream (Ex. LinkedIn/FB)	Proprietary (Ex. Twitch)
Subscription	✓		✓	✓
Pay Per View	✓	✓	✓	✓
In Stream Purchase	✓			✓
Contests/Auctions	✓			
Live Statistics	✓	✓		

A simple spreadsheet conveys the message quickly

## Competition

- What specific opportunities exist for the company as a result of the competition?

## Competitive Advantage

- What is the company's competitive advantage?
  - Why will customers buy your product or service over the competition?



**Slide 14:** The competition analysis should point squarely at your features and benefits. Don't complicate the chart with adding colors or X's when competitors don't have a feature. Never speak negatively of your competition. There are smart ways to say everything.

**KEY POINTS: BE SURE YOU HAVE YOUR COMPETITIVE ADVANTAGE SIMPLIFIED AND EASILY UNDERSTOOD. THIS IS A KEY ELEMENT TO INVESTORS DECISION MAKING.**

# SLIDE 10 Financials

Provide 3-5 year financial projections for the company.  
Can the company scale its operations as it grows?

Revenue	Y1	Y2	Y3	Y4
Events Annually	5	8	20	31
Gross Revenue	\$430,000	\$3,640,000	\$11,486,182	\$18,981,820
Expenses	\$524,000	\$3,458,127	\$8,768,569	\$14,481,789
Net Revenue	(\$94,000)	\$181,873	\$2,717.613	\$4,500,031
Net as %	(18%)	5%	24%	24%

*List 1 or 2 assumptions for that AHA moment investors like*



**Slide 15:** It's easy to get caught up in explaining numbers and their relationships. It can also be a quagmire that sinks your pitch.

**KEY POINTS: KEEP YOUR FINANCIALS SIMPLE AND SPEAK TO A FEW YEAR OVER YEAR CORRELATIONS.**

**NEXT KEY ON AN ASSUMPTION, USING THEM AS AHA MOMENTS TO SHOW INCREASED GROWTH ABOVE YOUR ORIGINAL PROJECTIONS. USE RATIOS AND PERCENTAGES THAT PUNCTUATE YOUR GROWTH.**

# SLIDE 11 The Ask

- Funding to date & total amount and source(s)
- Funding - currently seeking?
  - Show Uses of Funds as percentages
- What is the company willing to give to investors?
  - Equity
  - Convertible Note – discount, interest rate, ceiling valuation
- Anticipated future funding rounds
- What are the exit strategies for the company?
- Comps and expected timing



**Slide 16:** Its time to deliver the ASK. This is what they've been waiting for. You have built value throughout the pitch, now hit'em with the deal. Staying flexible while giving this slide is paramount since some investors have their own ideas of how they like to invest.

Know your offering basics, use of funds and comparables. I guarantee you will always need future rounds unless you are raising a lifestyle company ( a company that sustains only the owners and employees' salaries)

## KEY POINTS:

**A SIMPLE INVESTMENT MODEL – TRY NOT TO COMPLICATE THE INVESTMENT PROCESS. EX. PURCHASE COMMON SHARES AT \$00.30 PER SHARE, TOTAL \$500,000 (20% OF COMPANY). PREFERRED SHARES WITH STANDARD PREFERENCES ETC...**

**MAKE USE OF FUNDS 1 SHORT SENTENCE – SALES & MARKETING etc. THE EXPLANATION CAN SLOW YOUR PITCH AND CREATE QUESTIONS THAT MAY TAKE THE INVESTORS AWAY FROM THE DEAL**

**FUTURE FUNDING ROUNDS – EVERY COMPANY ON THE EARTH NEEDS ADDITIONAL FUNDING ROUNDS. FACEBOOK RAISED ADDITIONAL MONEY BY GOING PUBLIC. SO, THOUGH YOU MAY BELIEVE YOU HAVE THE NEXT BILLION DOLLAR IDEA, DON'T ELUDE TO IT, SAY SOMETHING LIKE, "OUR BOARD WILL REVIEW GROWTH PLANS ANNUALLY. THE GOAL IS TO MAXIMIZE THE RETURN OF INVESTMENT WHILE KEEPING THE ACCELERATOR PRESSED DOWN FOR MAXIMUM CONTROLLED GROWTH".**

**EXIT STRATEGY – EARLY INVESTORS DO NOT WANT TO HEAR THAT YOU ARE GOING TO MAKE YOUR COMPANY INTO A LIFESTYLE BUSINESS (MAKE JUST ENOUGH MONEY TO HAVE A FUN LIFE BUT NOT ENOUGH TO GIVE A STRONG RETURN TO THE INVESTORS. IF YOU ARE REALLY LOOKING FOR INVESTORS, USE A COMMENT THAT SPEAKS TO YOUR FLEXIBILITY AND DESIRE TO MAKE YOU AND THEM MONEY.**

**COMPS – COMPARABLES ARE QUITE IMPORTANT. THEY DEMONSTRATE THE POTENTIAL UPSIDE FOR INVESTORS. KNOW YOUR COMPS, AT LEAST A FEW.**

# SLIDE 12 Recap

What do you want your audience to remember about the company?

Strengths of company

Business and revenue model

Intellectual property

Marketable product or service

Customers and sales pipeline

Management team

Roadmap for future products or services

T

TAKE YOUR TIME AND REMIND



**Slide 17:** The goal is to set a date (due diligence) with the investors in a one on one setting. Note some investment groups assign leads to engage with you. Don't over sell and add lot of descriptions on the summary page. Leave them wanting to know more.

## KEY POINTS:

**REFRESH THE INVESTOR REGARDING THE KEY BUSINESS POINTS OF YOUR COMPANY QUICKLY. WHAT HAVE YOU EXECUTED ON SUCCESSFULLY, WHAT RELATIONSHIPS HAVE YOU BUILT AND WHERE ARE YOU GOING (FUTURE ROADMAP)**

# SLIDE 13

## Contact Information

# Thank You



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The more you know helps you pitch like a pro

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**Slide 18:** Thank your audience and include your contact information so the investors know how to get ahold of you. Good Luck!

**Due Diligence Meetings:** remember to politely refresh the pitch in a very short summary statement when meeting an investor outside of your initial pitch.

Again, in any additional meeting **do not** over sell or attempt to include all the information, in your head, about the company into your conversation. Answer their questions with SOUND BITES only. They will ask for more detail. Too much information too quickly can kill the deal.

coach, email us and we will introduce you to our certified coaches.