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Mission

Motivate, educate and mentor students to "Dream, Design, Develop" their engineering ideas into commercial products
Technology Idea

Moxie Center Experience

commercialization crossing the chasm

Possible Outcomes

Company Product
Intellectual property Not Viable

Every team receives real start-up experience
• Seminars/speaker series
• Moxie Center Events
• Co-sponsored Events
• Course support
• Incubator
Moxie Incubator

• Space
• Tools / equipment
• Financial resources
• Mentoring
Incubator Admission

• Important: students’ projects
• Must be commercializable
• Build prototype / proof of concept
• Advisors on engineering, business
• Academic credit
Moxie Center Facilities

• CSE: late Nov. 2012
• MAE: spring break 2013
• Laboratory Assistants
• Access to lab facilities in MAE, CALIT2
Technology Innovation

1912 Cadillac Touring Car

2009 Aston Martin DBS Volante
Invention ≠ Innovation

• Necessity can drive invention – So can creativity
• **Invention** – idea or concept for a new product or process
• **Innovation** – successful entry to the market of a novel product, process, or business model
• Creating an innovation from an invention is a high risk proposition
• **Radical innovations** create new markets with new technology or processes, and may destabilize an existing mature industry
5 Rules for a startup

1. Don’t run out of cash
2. Know your customers
3. Don’t run out of cash!!
4. Don’t get stuck on a plan
5. Don’t run out of cash!!!
Profiling Risk and Reward

- What if the depth of hole is very small?
- What if the breakeven time is very long?
Baby Blues by Rick Kirkman and Jerry Scott

For starters, I think the halfpipe should be about three stories tall with a rubberized grip surface and a platform.

Stadium lights for nighttime skating, and some bleachers would look cool in the grass over there.

What do you say?

I'll give you some bricks, a scrap of plywood and a lawn chair.

Cheer up. A lot of great ideas get scaled back in the funding stage.
Given Imaging PillCam

Class II, 2001
Given Imaging’s PillCam

• Capsule swallowed by patient, broadcasts images of small intestine

• Invented by Gavriel Iddan & team of scientists
  – Iddan was missile engineer (electro-optical) – not medical
  – Project initiated by Dr. Eitan Scapa, gastroenterologist
  – Iddan applied guided missile concept to problem of viewing the small intestine

• Developing the Camera Pill
  – Engineering challenges: size, image quality, battery life
  – Formed partnership with Gavriel Meron (CEO of Applitec) for capital to commercialize
  – Resulted in highly successful, revolutionary product.
**Inside the PillCam®**

1. Optical dome
2. Lens holder
3. Lens
4. Illuminating LEDs (Light Emitting Diode)
5. CMOS (Complementary Metal Oxide Semiconductor) imager
6. Battery
7. ASIC (Application Specific Integrated Circuit) transmitter
8. Antenna
How could an engineer with no medical background pioneer wireless endoscopy?

• Being an “expert” may be stifling
• Not being a GI doc, Iddan wasn’t trapped in an “endoscope” paradigm
• Able to apply concepts from guided missile technology
• Developed a “guided missile” to traverse bowel with a camera payload
• Expertise in optics, CMOS, CCDs very useful
“Science-push” or “Demand-pull”?

• Scapa approached Iddan with problem of viewing small bowel – “demand pull”
  – No solution obvious to Iddan
• Later developments in optics & CCDs suggested possible solution
• Technology development allowed new response to existing problem
Benefits (?) of Collaboration

• Complimentary expertise:
  – engineering aspects of device (technology)
  – anatomical demands and diagnostic objectives (problem)

• Avoided competition
  → split gains
  → more difficult to manage project
A Key Framework:
The industry life cycle
The Industry Life Cycle as an S curve
The Innovator’s Dilemma: “Disruptive” technologies may threaten established firms

Clay Christensen: *The Innovator’s Dilemma*
The S-curve Maps Major Transitions

- Performance
- Takeoff
- Ferment
- Maturity
- Discontinuity

Time
The nature of technical work changes

Performance

We need to be responsive & flexible but controlled

Will it work?
Exploration, fun, creativity key

Can we make 100,000?
And service them?

Will it work?
Exploration, fun, creativity key

Time

Core Idea: Forecasting S curves?
The marketing challenge evolves

Performance

Stay close to your customer – really close

Do we have any reference customers?

Who needs this?

Who needs this?

Time

Core Ideas: Market segmentation; the Innovator’s Dilemma
The ways in which a firm captures value also evolve dramatically.

Core Ideas: 5 forces; Appropriability; Complementary Assets

Performance

Time

We can sell it, make it, service it, ship it. Most of the time.

Speed, IP Differentiation, Frontier performance key.

We may not be leading edge but you’d rather buy from us because...

Speed, IP Differentiation, Frontier performance key.
Core Idea: Managing the organizational dynamics of discontinuity
IBM 3380 (1980)

- 1GB
- 550 lbs
- $40k
Shugart ST506 (1980)

- 5MB
- $1500
Anti-Counterfeiting
Mobile Health Delivery

Nathan Sigworth CEO
nsigworth@pharmasecure.com
300 Million Steps in the Right Direction

By Nathan Sigworth
October 02, 2012 — Rules requiring pharmaceutical drugs to have some sort of track and trace system are years away in most developed markets including the US, but PharmaSecure recently hit a milestone. We just imprinted our 300 millionth package of medicine in India with a secure verification code that consumers can use to validate their drugs via text message, phone call, Android app or the web. For PharmaSecure,
Founders

Nathan Sigworth
• Colby College (Physics) dropout
• Dartmouth ME → Economics (‘07)
• Invented Gyrobike.
• Three years of research on health access in rural India.
• Co-founder, 2007: finance
• CEO

Taylor Thompson
• Three years of health research in Rwanda, Uganda, Kenya
• Founder, Dartmouth Ends Hunger.
• BS Anthropology, Dartmouth (‘10)
• Co-founder, 2007: operations, business development
• HBS ‘13
Making Medicines Into Services
A New mHealth Platform

Jay Kunin, Ph.D. | Director, PharmaSecure, Inc.
mHealth Summit | December 6, 2011
The Problem: Counterfeit Pharmaceuticals

• Pervasive in developing countries
  – Enormous threat to public health
  – Risk to integrity of pharmaceutical brands
The PharmaSecure Solution

**MEDICINES**
Manufacturer prints unique ID codes on packages

**SERVICES**
Purchaser verifies through SMS on mobile phone

**PLATFORM**
Real-time data available to manufacturers and public health
Identify

Authenticating

PS Code: 2h4g5kh5

Communicate

Information Delivery

Interactive Services

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About PharmaSecure Inc.

• US company founded 2007, international team based in India

• Current market: Indian & multinational pharmaceutical companies exporting to over 60 countries

• Investors: US- and UK-based, including Innovation Endeavors, Gray Ghost Ventures, Health Tech Capital, Life Science Angels, Tech Coast Angels

• info@pharmasecure.com
Raising $1 Million Series A
$1.2 Million Pre-Money Valuation
Re-opened up to $1MM

Contact:
Nathan Sigworth  203 907 9453  nathan@pharmasecure.us
The Problem: Counterfeit Pharmaceuticals

• Pervasive in developing countries
  – Enormous threat to public health
  – Risk to integrity of pharmaceutical brands
A Complicated Problem

- Intentional mislabelling
- Product mismatch
- API tampering

- Legal importation
- Inbound customs
- Unorganized procurement
- Domestic counterfeiting

- Inappropriate sourcing practice
- Legitimate supplier bypass

- Tampering
- Rerouting

- E-mafias
- Identify theft
- Misrepresentation
- Intl. sourcing
- Rerouting
- Tampering

Adapted from Axway Asia Pacific
Value Proposition

1. Save Indian pharmaceutical manufacturers $1 billion from counterfeiters.
2. Consumer data and direct consumer communication.
3. Indian consumers willing to pay 6 cents to check drugs.
Pharmacists and Distributors are Often Complicit in Counterfeiting.
Manufacturer Integration of Codes

1

PharmaSecure

SMS abc456def to 5757537 to check authenticity
Authentication Event

1. Message Received:
   Yes, Authentic drug
   :-)  
2. Expiration date:
   April 9, 2010
3. Batch number:
   37 RBT25
3 Realtime Data and Analytics
Revenue Model

Codes/Labels  1/5 to 1 cent
SMS fee-sharing  1 cent
Communication  1 cent to 1 dollar
Data  $50,000 subscription
Milestones Achieved

Sep 08  $100k Echoing Green Grant
Jan 09  $300k+ Series A led by Life Science Angels
Feb 09  First Manufacturer Letter of Intent
Mar 09  First Factory Integration Completed
Apr 09  Consumer Behavior Study Completed
May 09  SMS Revenue MoU
May 09  Second Manufacturer MOU
May 09  Beta Version of Dashboard Completed
Updates

Dec 09  Closed $2M Series A: Angels, Grey Ghost Ventures
Feb 11  100M codes ordered; 2 Top 10 customers
Mar 11  Fast Company: “10 Most Innovative Companies in Health Care”
Aug 11  Closed $4M Series B: Innovation Endeavors, Super Angel (pharma entrepreneur), Series A
Dec 11  6 customers, 70 lines, 73M codes printed
July 2012 update

• Launch of Two New Game-Changing Services
• 10 customers, including 5 of top 10
• New Chief Business Officer, Mark Davison – SICPA, GSK, Charles River, Quintiles.
• psID on 200m packages
• Consumer interactions
Now even I can know
my medicine is genuine.
Oct Update

Jul 12  Interpol Global Register (Interpol, Google, PS)

Sep 12  printing > 1M packages/day

Oct 12  mHealth platform 1st commercial sale
Market Leader

Successful implementation:
- 28 different geographical locations
- 100+ production lines across India
- 100 million+ product packages coded
- Orders for 1.5 billion codes
Our Customers

- IPCA
- LUPIN
- MICRO LABS
- MSN LABORATORIES LTD.
- Promed
- RANBAXY LABORATORIES LIMITED
- SUN PHARMACEUTICAL INDUSTRIES LTD.
- UNICHEM LABORATORIES LTD.
The INTERPOL Global Register

The INTERPOL Global Register is a project under development to counteract illicit trade by enabling people to scan and verify the legitimacy of a product from their mobile device.

When launched, the register database will contain identifying information of products that are under threat from smuggling, counterfeiting, fraud, tax evasion or theft. Supplied by the manufacturer of a given product, this information could include images, descriptions of tax stamps, control stamps and other security features used to protect and identify genuine products.

Users – consumers, manufacturers, distributors, retailers, law enforcement and government officials – will be able to use an internet-based application on a mobile phone or other internet-connected device to scan and receive information on a product to verify whether it is being legitimately sold, access product information and see what safety features are in place.

By offering a way to instantly verify the legitimacy of any product, the INTERPOL Global Register will be a strong tool for law enforcement to fight the trafficking of illicit goods, by making it more challenging for criminals to put counterfeit products on the market or to sell products by illegitimate means.

Manufacturers can be secure in knowing that their products which are registered in the database can easily be detected if they are being counterfeited or traded illegally.

NEWS AND MEDIA RELEASES

17 July 2012  en  en  en

INTERPOL Global Register unveiled at Google Ideas INFO summit

LOS ANGELES, USA – The creation of the INTERPOL Global Register (IGR), a pioneering solution in combating the trafficking of illicit goods by verifying products through their unique security features has been unveiled at the Google Ideas Illicit Networks Force in Opposition (NFO) summit. Unique security features can be placed on any type of consumer good...
Patents Filed

• SYSTEM, METHOD AND INTERFACE DISPLAY FOR VERIFYING AND MANAGING DISTRIBUTION AND SALES OF MEDICINE

• SYSTEM AND METHOD FOR VERIFYING AND MANAGING DISTRIBUTION OF PRODUCTS

• System and method for generating and managing product authentication codes

• SYSTEM AND METHOD FOR COMMUNICATING WITH PHARMACEUTICAL CONSUMERS AND MANAGING DATA RELATED THERETO
What do Investors Look For?

• Product: Can you build it?
• Market: Does anyone care?
• Management: Can you do it?
• Financing risk: Will we lose our $?
• Plan: Is there a well-articulated strategy? How do you get to market?
• Exit: Do we get a large return, quickly, with no risk?
Deal Evaluation

- **Management**
  - Experience; flexibility

- **Product**
  - Technical proof of concept?; IP

- **Market Traction**
  - Customers? LOIs? Strategic partners?

- **Deal**
  - Valuation; budget/financing risk?; realistic exit?
Presentation is Crucial

• How you tell your story is as important as your story

• Know your audience & what you’re trying to get out of your presentation
  – You’re talking to investors, not customers or fellow scientists/engineers!

• Technology isn’t the core of the deal
  – Investors bet on people, not technology
The Key Questions

1. Can you identify exactly who your customer is?
2. Can you articulate exactly why he has to buy your product/service?
3. How will you use our money to increase value?
“My approach to investing has been if an idea makes sense in the first one minute, I’ll pay more attention to it. But if I can’t get it in my head in 60 seconds, just forget about it, it’s too complicated.”
Be sure to make clear

• Validated market need
• Your value proposition
• Your market niche and channel(s)
• Sustainable competitive advantage
• Management (showing applicable exp.)
• Deal details (how much, use of funds, valuation...)
Validated Market Need

- Who cares?
  - Prove it
- Do you have customers?
  - Any P.O.’s or LOI’s?
- Do you understand your customers’ alternatives?
- Is there a realistic go-to-market strategy?
Sustainable Competitive Advantage

• What barriers to entry exist?
  – Patents, know-how, many years of development, exclusive contracts
• Is there a first-mover advantage?
• What are the customer’s switching costs if a competitor enters?
Management

• Is there a CEO and supporting team?
  – Domain experience?
  – Start-up experience?
• Angels are more flexible than VCs
• Are you “flexible”?
Financial Plan

• Can you make money?
  – Margins
  – Costs of product launch, sales & distribution
  – Can you manage the scale-up?
• Without running out of cash?
• Can you make us money?
  – Is there a feasible exit?
    • In our lifetime?
  – Can you describe the acquisition now?
  – Can you get there without running out of cash?
  – Is it worth it?
“Be sincere; be brief; be seated.”

— Franklin D. Roosevelt
Learnings from Dilbert ©.....

CAN YOU GIVE ME SOME COMMENTS ON MY BUSINESS PLAN?

SURE.

YOUR PLAN IS A HODGE-PODGE OF UNWARRANTED OPTIMISM ENCASED IN AN IMPENETRABLE FORTRESS OF BUZZ-WORDS.

WOULD YOU LIKE TO READ IT?

THERE'S THAT UNWARRANTED OPTIMISM AGAIN.
Opportunity + Innovation + Business Model: Components of a compelling Business Plan & Pitch

Del Foit
April 27, 2010
dfoit@ucsd.edu
What it is all about......
Search for Sea Changes

Where are opportunities born?

- Technology sea change
  - Moore’s law
  - Metcalf’s law
  - Disruption

- Market sea change
  - Value chain disruption/obsolescence/vulnerability
  - Deregulation

- Societal sea change
  - Changes in ways we live, learn, work, etc.
  - Gilder’s law—$10^x$ in 10 years

- Brontosaurus factor
  - Arrogance
  - Loss of peripheral vision
  - Deadened reflexes—turning the tanker
  - Examples: IBM 1970s–1980s; U.S. automakers 1960s–1970s; large steel companies

- Irrational exuberance
  - Undervalued assets

Source: *New Venture Creation*, Timmons & Spinelli
Innovation – Spotting Pain/Opportunities

• Company or industry:
  – Unexpected occurrences
  – Incongruities
  – Process needs
  – Changes in industry and market

• Social and intellectual environment:
  – Demographic changes
  – Changes in perception
  – New knowledge
Business Model

- Business Model
  - The concept and delivery of the offering and the configuration of resources and value chain activities which results in differential value to customers and superior returns to investors.

- A more useful definition:
  - **What** do you sell?
  - **Who** do you sell to?
  - **Where** do you sell?
  - **When** do you sell?
  - **Why** do you make money?
Idea Evolution

- Generate
- Evolve
- Assess
Evaluating the Opportunity

• Criteria for evaluating venture opportunity
  – Industry and market
  – Economics
  – Harvest
  – Competitive advantage
  – Management team
  – Personal criteria
  – Strategic differentiation

Source: *New Venture Creation*, Timmons & Spinelli
Objectives

– Carefully articulate the merits, requirements, risks, and potential rewards of the opportunity and how it will be seized

– Demonstrate how the four anchors reveal themselves to the founders and investors by converting all the research, careful thought, and creative problem solving from the venture opportunity screening into a thorough business plan
4 Anchors of Superior Business Opportunities

1. Create or add significant value to a customer or end user
2. Solve a significant problem, or meet a significant want or need, for which someone is willing to pay a premium
3. Robust market, margin, and moneymaking characteristics
   - Large enough ($50 million+)
   - High growth (20 percent+)
   - High margins (40 percent+)
   - Strong and early free cash flow (recurring revenue, low assets, and working capital)
   - High profit potential (10 to 15 percent + after tax)
   - Attractive realizable returns for investors (25 to 30 percent + IRR)
4. Are a good fit with the founder(s) and management team at the time and marketplace and with the risk-reward balance

Source: New Venture Creation, Timmons & Spinelli
• Too much time is wasted on numbers
• Too little time on information that really matters to intelligent investors
• Month-by-month predictions over several years are an “act of imagination”
Well thought out Business Model Rather Than A lot of Numbers

- Definition of the offering: What it is and what it is not?
- Key drivers of venture success and key risks
- Cash Flow Requirements, Breakeven, and Resource needs
The POCD Framework

- **People**: Team members and outside parties providing key services; experience and other personal attributes

- **Opportunity**: Profile of business; market, operations, how will it grow; what can stand in the way of success

- **Context**: the BIG picture - regulatory, environmental, interest rates, demographic trends, inflation, etc., the factors that will change but cannot be controlled by the innovators

- **Deal**: the contract between the innovators and resource providers. an assessment of the Risk/Reward profile.

*Sahlman (HBR 97409)*
Questions of interest about the personnel
• Founders background, experience, reputation
• How mature and reasonable are they?
• Can they attract/recruit high quality people?
• Tenacity, resilience
• How committed are they to the venture?
• What are their aspirations & motivations?

“Without the right people and the right team, none of the other parts of the business plan really matter.” - Sahlman
Idea or Opportunity

• How is the total market for the venture? Large, growing? Is there one??

• Is the industry now, or can it become, structurally attractive for the venture?

  Who is the new venture’s customer?
  How does the customer make decisions about buying the product?
  Is the product a compelling purchase to the customer? Need or a want??
  How much does it cost (time and resources) to acquire a customer?
  How much does it cost to produce and deliver a product?
  How much does it cost to support a customer?
  How easy is it to retain a customer?
“No competition” is a big red flag!

- Who are the new venture’s current competitors?
- What resources do they control?
- Who else can exploit the same opportunity?
- What are their strengths and weaknesses?
- How will they respond to your market entry?
- How can your new venture respond to the competitions’ response?

Business is chess - Anticipating your competitors next move is essential to win!
Opportunities exist in context

**Economy, Regulations, Geopolitics**

Hundreds of companies formed when the airline industry deregulated in the late 1970’s or when the Internet took off

Recessions make it hard to get venture financing. However, as capital markets heat up, these companies have a high rate of return.

*Ideas become opportunities with the right context!*
• Innovators must convince investors that you offer them a favorable risk/reward ratio

• Investment is going to be staged

• True entrepreneurs want to capture all the reward and give all the risk to others - yet risk is unavoidable.”
Investors will be asking

- How long does it take to get a customer?
- How long before the customer sends the business a check?
- How much capital is needed?
- When does the business have to buy resources, such as supplies, materials, and personnel?
Exit/Liquidation event

- Your business plan should address implicitly how the investor will get back his/her money.
- Wide range of exit strategies
  - IPO
  - sell company outright
  - split up company and sell parts
The goal is…

• To communicate the company’s story as clearly as possible
• To create excitement for the company to attract further resources
• To get a second meeting!

*Every presentation is unique and will have its own flow, but a template is a good start*
The “Pitch”, a.k.a. The “Story”

- Company & Overview
- The Problem & resulting Opportunity
- Your solution
- Market Size
- Technology
- Competitive Advantage (Value Proposition)
- Competition
- Business Model/Go to market strategy
- Financials
- Management Team
- Funding (if seeking investment)
- Summary
SPRINGBOARD

PRESENTATION TEMPLATE

May 2012
The Goal is…

- To communicate the company’s story as clearly as possible
- To create excitement for the company to attract further resources
- To get a second meeting!

*Every presentation is unique and will have its own flow, but a template is a good start*
Slide 1 – Introduction

- Presenter and company introduction must cover:
  - Who you are? Your experience, team’s experience
  - What major problem are you solving; what business you are in?
  - What markets do you compete in?
  - Significant company milestones to date
  - Size of investment sought

- Two to three Questions for the panel to focus on
  - Business Model, Go-to-Market Plan, Funding, etc.
Slide 2 – Pain

- What is the pain? Who has it? Will they pay for the solution?
  - Who is your ideal customer
  - Is your solution “the pain killer/must have” or “the vitamin/nice to have”?

- Quantify the problem concisely! ($) How much does the problem cost to its owner?
Slide 3 – Your Solution

- Compelling presentation of your solution
  - Graphics, illustrations or pictures are highly recommended (Remember: Keep It Simple)
  - Relate to the problem slide: how is the pain solved

- List the key points that will help the audience understand
  - Don’t explain the technology in detail
  - What is it? What it does? NOT how it does.
  - What will happen if it is implemented? How much will it save? What will it allow your customer to do that couldn’t be done before?
  - How does the customer pay?

- Why are they going to pay for a solution?
  - Cost savings?
  - Increased market share or revenue?
  - Elimination of a bottleneck?
Slide 4 – Value Proposition

- If appropriate!
- Articulate the exceptional value to your customers
- If there are more members in the value chain, articulate value propositions for each; i.e. when selling through a partner, strategic alliance to reach the end-user
Slide 5 – Business Model

- Who are your ideal target customers
- How do they buy? Online? Trade?
- Pricing model; how are you going to make money?
- Revenue Model, how will your business scale (sales strategy)
- Sell direct? Sell through (channels to market)
- Graphs work
- See following illustration of a business model:
  - The company provides value to customers by solving a problem, generating additional revenues, saving money, etc.
  - Stake holders include the investors and the company
  - The value for them is created through customer revenues, free cash flow, increase in share price, etc.
Slide 6 – Technology (Solution Description)

- If appropriate!
- If the value is in cost savings focus on that aspect, always relate to benefits
- Layman’s terms
- Graphs, pictures work
- Assume that the audience does not know the technological field you are in
- Yet, give a compelling description without using abbreviations or techy terms
Demonstrate a significant market opportunity
Size, growth, maturity (graphs)
Show how your solution is positioned in the market
Demonstrate how uniquely your product fits into the market
Focus on the smallest segment for credible penetration
  – Ex, If you are selling wheat bread to the restaurant industry, the segmentation order should be:
    • Restaurant industry size: $5555 (Total Available Market-TAM)
    • Restaurants that buy the bread instead of cooking: $444
    • Restaurants that buys wheat bread: $33
    • Restaurants that you can reach (your target): $2 (Served Available Market – SAM)
Slide 8 - Competition

- Competitive Landscape: list direct (same/similar solution providers). Use a matrix design: major pain points on the y-axis; competitors across the top
- Large and small companies
- How you are different?
- Comparison of solutions based on customers’ decision making criteria
- Customer feedback, why you versus others?

Providing a detailed competitive analysis and listing the potential competitors increase your credibility.
Slide 9 – Competitive Advantage

- What is your key sustainable competitive advantage (extract from slide 8)?
- What are the differentiated features that will hook the decision makers?
- How long does your advantage last?
- How do you protect your advantage (patents, copy rights, trade secrets, trade marks)
Slide 10 – Go to Market Strategy

- Marketing plan and Distribution plan (address market risk)
- The sustained initiatives and processes to acquire your target customers
  - PR, Media, Search Engine Optimization, Advertisement, etc.
- How you are going to tackle the market?
  - Direct versus Indirect distribution channels, alliance partners
- Identify customer acquisition cost vs. customer revenue!
  - In the right proportion, the business will scale nicely!
- Highlight third party validation
- Graphs work
Slide 11 – Company Traction

- Team (could be your greatest strength)
  - Short summary of the members key strength and achievements, particularly as it relates to the business (address management risk)
  - Possibly board of advisors (if recognized)
- Barriers to entry: Your existing IP/ IP strategy (address technology risk)
- Depending on the company stage, important milestones achieved
Financial Plan – Pro-Forma P&L
- includes Revenue, Gross Margin %, EBITDA, Funding, Ending Cash flow, Headcount

Everyone knows that this is an estimate, but still they want to know how realistic are the financials and if you are capable of predicting the market

5 Year realistic estimates – graph is useful if there are multiple revenue streams

On a back-up slide: highlight critical assumptions/milestones

Don’t provide details or show a spreadsheet, but be prepared to present and discuss them
Slide 13 – Funding (if seeking investment)

- How much $ are you seeking?
- Don’t add valuation to the slide, but prepare to discuss a range, based on comparibles
- Use of Funds:
  - (i.e. 45% R&D, 20% Marketing, %10...etc.)
  - Pie Graphs work nicely
- How long until you need another cash infusion or will this be all the financing you need?
Slide 14 – Corporate Development

- Strategic Planning
- Phase I Development
- Pilot Test
- Phase II Development
- Mass Production (I)
- Mass Production (II)

Financial Milestone:
- Fund Raising (I) US$ 1 M
- Fund Raising (II) US$ 1.5M
- IPO

Project Milestone:
- 2006
- 2007
- 2008
- 2009
- 2010
### Slide 15 – Assumptions and Risks

<table>
<thead>
<tr>
<th>List critical assumptions that may affect the realization of revenue and profit projections… in decreasing order of probability (do not include natural disasters, acts of war and such)</th>
<th>Across from each assumption, describe the negative impact of each</th>
<th>Across from each, now describe what you are doing to mitigate or de-risk</th>
</tr>
</thead>
</table>
Slide 16 – Exit Strategy

Exit Strategy
• Acquisition (Select any of the below that are applicable)
  • By Suppliers: Names, if possible
  • By Competitors: Names, if possible
  • By Strategic Partners: Names, if possible
• IPO (If companies in this sector have recently completed an Initial Public Offering)

Recent Acquisitions:
• ABC, Inc., acquired in 20XX by DEF, Inc., at X multiple of EBITDA
  • [Additional comparables, if possible]

Our Company, Inc., EBITDA, Year 5: $000
Slide 17 - Summary

- List your strengths unique to your company
- Three to five points that you want from your audience to remember when they leave the room
- Repeat the two to three questions you want the panel to focus on