Sharpening Tools to Effectively Pitch Your Business in any Situation:


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School of Management
Agenda Items

• Business Plans
• Venture Pitch Decks
• Elevator Speech

• Business Models
• The Buying Selling Process
Practical Prerequisite Tools

BUYING/SELLING PROCESS

BUSINESS MODELS

VALUE PROPOSITIONS
“Nothing Happens in Business Until a Sale is Made”

~Thomas Watson, Jr.
Buying

I. Problem/Need Recognition
II. Informational Search
III. Evaluation of Alternatives
IV. Purchasing Decision
V. Post-Purchase Evaluation
Selling

I. Approach
II. Gain Favorable Attention
III. Needs Assessment
   Discover Wants/Needs
IV. Presentation
   Benefits, Consequences,
   Overcoming Objections
V. GAINING COMMITMENT
VI. Follow-Up
    Post-Purchase Evaluation
Don’t Barge Ahead

I. Problem/Need Recognition
II. Informational Search
III. Evaluation of Alternatives
IV. Purchasing Decision
V. Post-Purchase Evaluation

I. Approach
II. Gain Favorable Attention
III. Needs Assessment
   Discover Wants/Needs
IV. Presentation
   Benefits, Consequences, Overcoming Objections
V. GAINING COMMITMENT
VI. Follow-Up
   Post-Purchase Evaluation
Don’t Arrive Late

I. Problem/Need Recognition
II. Informational Search
III. Evaluation of Alternatives
IV. Purchasing Decision
V. Post-Purchase Evaluation

I. Approach
II. Gain Favorable Attention
III. Needs Assessment
Discover Wants/Needs
IV. Presentation
Benefits, Consequences,
Overcoming Objections
V. GAINING COMMITMENT
VI. Follow-Up
Post-Purchase Evaluation
A Sense of Where You Are is Critical to Buying/Selling
The Business Model & Value Proposition
The Value Proposition Canvas

Value Proposition

Customer Segment

Gain Creators

Products & Services

Pain Relievers

Gains

Customer Job(s)

Pains

strategyzer.com
Communicating Business Value

BUSINESS PLANS

CAPITAL RAISE PITCH DECKS

ELEVATOR SPEECHES
The Business Plan
I. Table of Contents

II. Executive Summary

III. General Company Description

IV. Products and Services

V. Marketing Plan

VI. Operational Plan

VII. Management and Organization

VIII. Personal Financial Statement

IX. Startup Expenses and Capitalization

X. Financial Plan

XI. Appendices

Business Plan for a Startup Business

The business plan consists of a narrative and several financial worksheets. The narrative template is the body of the business plan. It contains more than 150 questions divided into several sections. Work through the sections in any order that you want, except for the financials, which should be done last. Skip any questions that do not apply to your type of business. When you are finished writing your first draft, you'll have a collection of small essays on the various topics of the business plan. Then you'll want to edit these into a smooth-flowing narrative.

The real value of creating a business plan is not in having the finished product in hand, rather, the value lies in the process of researching and thinking about your business in a systematic way. The act of planning helps you to think things through thoroughly, study and research if you are not sure of the facts, and look at your ideas clearly. It takes time now, but avoids costly, perhaps disastrous, mistakes later.

This business plan is a general model applicable to all types of businesses. However, you should modify it to suit your particular circumstances. Before you begin, review the section titled "tips," found at the end. It suggests emphasizing certain areas depending upon your type of business (manufacturing, retail, service, etc.). It also lists tips for fine-tuning your plan to make it effective presentation to investors or bankers. If this is why you're creating your plan, pay particular attention to your writing style. You will be judged by the quality and appearance of your work as well as by your ideas.

It typically takes several weeks to complete a good plan. Most of that time is spent in research and re-thinking your ideas and assumptions. But, that's the value of the process. To make time to do the job properly. Those who do never regret the effort. And finally, be sure to keep detailed notes on your sources of information and on the assumptions underlying your financial data.
The Art of the Pitch Deck
<table>
<thead>
<tr>
<th>EARLY GROWTH FINANCIAL SERVICES</th>
<th>PENN VENTURES</th>
<th>ART of PITCHING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Logo/Mission/Positioning Line.</td>
<td>Company Introduction</td>
<td>Vision</td>
</tr>
<tr>
<td>Founders.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Problem We Solve</td>
<td>Market Overview (optional)</td>
<td>Problem</td>
</tr>
<tr>
<td>The Solution</td>
<td>Problem</td>
<td>Solution</td>
</tr>
<tr>
<td>The Market Size</td>
<td>Solution</td>
<td>Market Size</td>
</tr>
<tr>
<td>The Product/Technology Architecture</td>
<td>Market Assessment</td>
<td>Competition</td>
</tr>
<tr>
<td>IP/Defensibility/Scalability Chart</td>
<td>Competitive Landscape</td>
<td>Traction/Demand</td>
</tr>
<tr>
<td>Go To Market/Distribution</td>
<td>Competitive Advantage</td>
<td>Revenue Model</td>
</tr>
<tr>
<td>Competitor Matrix</td>
<td>Development Plan</td>
<td>Sales Funnel</td>
</tr>
<tr>
<td>Revenue Projections</td>
<td>Business Model/Reimbursement Strategy (if applicable)</td>
<td>Customer Journey</td>
</tr>
<tr>
<td>The Advisors</td>
<td>Additional Market Opportunities (if applicable)</td>
<td>Unit Economics</td>
</tr>
<tr>
<td>Use of Funds</td>
<td>Team</td>
<td>Go-To-Market Plan</td>
</tr>
<tr>
<td>Exit Strategy</td>
<td>Financials (if applicable)</td>
<td>Team</td>
</tr>
<tr>
<td></td>
<td>Investment Highlights</td>
<td>Key Milestones</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The Ask</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3 year Financials</td>
</tr>
<tr>
<td>Common Threads</td>
<td>Variations</td>
<td></td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Problem Statement</td>
<td>The start: Vision, Mission, Company introduction</td>
<td></td>
</tr>
<tr>
<td>The Solutions</td>
<td>Product Description / How it Works</td>
<td></td>
</tr>
<tr>
<td>Market Size/Assessment</td>
<td>IP - Defensible Competitive Advantage</td>
<td></td>
</tr>
<tr>
<td>Competition / Competitor Landscape</td>
<td>Scalability</td>
<td></td>
</tr>
<tr>
<td>Business Model / Revenue Projections</td>
<td>Use of Funds</td>
<td></td>
</tr>
<tr>
<td>Go-To-Market / Distribution Plan</td>
<td>Business Model</td>
<td></td>
</tr>
<tr>
<td>Development Plan / Key Milestones</td>
<td>Value Proposition</td>
<td></td>
</tr>
<tr>
<td>The Team</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Ask</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financials - 3 Year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exit Strategy</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Pitch Deck Artist’s Checklist

- Vision
  - Big? Aligned?

- Problem
  - What it is
  - Who has it

- Solution
  - What it is
  - Why now
  - Unique
  - Protectable

- Market Size
  - Big? Correctly defined?

- Competition
  - Who? Pros / cons
  - How you will win

- Traction / Demand
  - Customer feedback
  - Sales / commitments
  - Users / other key metrics

- Revenue Model
  - Whopays
  - Reimbursement

- Sales Funnel
  - Process
  - Metrics

- Customer Journey
  - Initial sale
  - Fully deployed

- Unit Economics
  - BOM, COGS, Commissions...

- Go-to-Market
  - Marketing
  - Distribution

- Regulatory
  - Timeline and cost

- Team
  - Why the right team

- Key Milestones
  - Accomplishments
  - Goals

- The Ask
  - How much you are raising
  - Use of funds

- 3 Year Financials
The Elevator Speech
How to Deliver a “Perfect Pitch”

Benefit
Product Categories
Competition
Differentiation
Customer

Needs/Problems
The “Perfect Pitch” – How Much Time do you Have?

15 Minutes

45 Seconds
AlertCap™

Keeping troops and civilians Awake, Alert, and Alive

Courtesy of B. Datlov
The AlertCap™ Will Detect Drowsiness and Alert You Before Something Bad Happens

• For drivers and Industrial Operators

• Need to stay awake / alert under extended monotony

• AlertCap™ : Wearable personal warning system
  • Buzzes wearer back to a state of alertness.

• Uses brainwaves for early detection → counter action
Problem:
Losing Alertness or Falling Asleep during Critical Tasks → Injury & Death

U.S. National Highway Traffic Safety Administration:
• Each year tired drivers are involved in more than
  • 100,000 vehicular crashes
  • $12.5 billion in losses
  • 71,000 injuries
  • 1,500 fatalities

2005 U.S. poll conducted by the National Sleep Foundation:
• 60% of us had driven while feeling sleepy
• 37% admitted to falling asleep at the wheel
• 4% percent had an accident or near accident because they were too tired

Airline pilots, train operators, nuclear plant supervisors, security guards, or oil tanker pilots
Solution: AlertCap™ Continuously Monitors EEG Brain Waves and Immediately Sounds An Alarm Before You Lose More Alertness

Patent Status: Application Pending USSN 339,864

High and Low Frequency EEG Bands

High frequency

Low frequency

Awake

Neutral

Drowsy

Asleep

AlertCap™ Buzz

Head Nodding

Eyelid Closing

Slower

Reactive

Costlier & more complicated

Courtesy of B. Datlov
High and Low Frequency EEG Bands

Awake

Neutral

Drowsy

Asleep

AlertCap™ Buzz

Head Nodding

Eyelid Closing

Slower Reactive Costlier & more complicated

Courtesy of B. Datlov
## Market Opportunities: Industrial, Civilian, and Military

### U.S. Addressable Industrial Markets

<table>
<thead>
<tr>
<th>U.S. Addressable Industrial Markets</th>
<th># Personnel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maritime Transportation</td>
<td>84,000</td>
</tr>
<tr>
<td>Railroad Transportation</td>
<td>125,000</td>
</tr>
<tr>
<td>Air Transportation</td>
<td>132,000</td>
</tr>
<tr>
<td>Taxi Drivers</td>
<td>229,000</td>
</tr>
<tr>
<td>Bus Drivers</td>
<td>653,000</td>
</tr>
<tr>
<td><strong>Truck Drivers</strong></td>
<td><strong>3,356,000</strong></td>
</tr>
<tr>
<td><strong>Material Moving Operators</strong></td>
<td><strong>4,825,000</strong></td>
</tr>
<tr>
<td>Power Plant Operators</td>
<td>47,000</td>
</tr>
<tr>
<td>Quality Assurance Inspectors</td>
<td>491,000</td>
</tr>
<tr>
<td><strong>Production Assemblers and Fabricators</strong></td>
<td><strong>2,075,000</strong></td>
</tr>
<tr>
<td>Firefighters and Paramedics</td>
<td>562,000</td>
</tr>
<tr>
<td>Police</td>
<td>861,000</td>
</tr>
<tr>
<td><strong>Security Guards</strong></td>
<td><strong>1,049,000</strong></td>
</tr>
</tbody>
</table>

**TOTAL 14,489,000**


We are uniquely positioned to work with other government agencies to help establish regulatory requirements.

### U.S. Addressable Market Segments

**By Number of People**

- **Civilian** = 200 m
- **Industrial** = 15 m
- **Military** = 1.5 m

**Business Opportunity**

- **Civilian** = $20-60m
- **Industrial** = $38m
- **Military** = $9m

**Product pricing similar to noise cancellation headphones $200-300@**

Courtesy of B. Datlov
Commercialization Plan: Looking for Development Partners and Licensees

Development Needs

6m
EEG Model Has Been Developed and Validated

Headgear Prototype Engineering: COTS: Signal acquisition and processing, power supply, notification buzzer

1y
Field Testing: DOD and DOT

1y
Market Adaptation Manufacturing and Commercialization

Product Lines

Personal Version ($250)
• No data transmission
• Consumer/trucker

Vicinity Version ($300)
• Local transmission WiFi
• Industrial/Military

Remote Version ($350)
• Distance transmission 3G
• Industrial/Military

Courtesy of B. Datlov
So, What 7 Words Will Succinctly Transform a Business Pitch Deck Idea into an Elevator Speech (30-45 secs.)?
<table>
<thead>
<tr>
<th>Step</th>
<th>Key Word “Prefix”</th>
<th>Instruction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer</td>
<td>FOR</td>
<td>Target Market/Consumer</td>
</tr>
<tr>
<td>Problem</td>
<td>WHO</td>
<td>Critical need or Issue Faced</td>
</tr>
<tr>
<td>Product</td>
<td>THE</td>
<td>“Brand” name</td>
</tr>
<tr>
<td>Category</td>
<td>IS AN</td>
<td>Product/Service Category</td>
</tr>
<tr>
<td>Compelling Benefit</td>
<td>THAT</td>
<td>Compelling Benefits of use</td>
</tr>
<tr>
<td>Competitors</td>
<td>UNLIKE</td>
<td>Competitors Listed with &amp; Limitations</td>
</tr>
<tr>
<td>Differentiation</td>
<td>OUR</td>
<td>Performance and why it differentiates you</td>
</tr>
<tr>
<td><strong>FOR</strong></td>
<td>Military troops and civilians in the transportation industry</td>
<td></td>
</tr>
<tr>
<td><strong>WHO</strong></td>
<td>Are at risk of (and do) fall asleep at the wheel</td>
<td></td>
</tr>
<tr>
<td><strong>THE</strong></td>
<td>“ALERTCAP”</td>
<td></td>
</tr>
<tr>
<td><strong>IS AN</strong></td>
<td>EEG monitoring hat or helmet</td>
<td></td>
</tr>
<tr>
<td><strong>THAT</strong></td>
<td>Alerts the wearer (or central command &amp; control) that the wearer is about to fall asleep</td>
<td></td>
</tr>
<tr>
<td><strong>UNLIKE</strong></td>
<td>Eyelid closing or head nodding monitors that are only able to detect physical changes in the “Drowsy” stage, right before falling asleep</td>
<td></td>
</tr>
<tr>
<td><strong>OUR</strong></td>
<td>AlertCap works during the “Neutral” stage prior to becoming drowsy and can buzz the wearer awake in time to prevent an accident</td>
<td></td>
</tr>
</tbody>
</table>

Courtesy of B. Datlov
Where We’ve Been Today

• Nothing Happens in Business Until a Sale is Made
• “Business Model” & “Value Proposition” Canvases
• Business Plans for Deep Clarification
• Venture Pitch Decks to Serve as “A Plan for the Business”
• Elevator Speeches: Distill, Clarify, and Get to the Point
• 7 Words Can Transform Your Business Plan
<table>
<thead>
<tr>
<th>Prefix</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>FOR</td>
<td>For Business Owners &amp; Entrepreneurs</td>
</tr>
<tr>
<td>WHO</td>
<td>Need to convey their business idea succinctly to potential investors or partners</td>
</tr>
<tr>
<td>THE</td>
<td>7-Step Elevator Speech Template</td>
</tr>
<tr>
<td>IS AN</td>
<td>Simplifying framework to Create an Elevator Speech</td>
</tr>
<tr>
<td>THAT</td>
<td>Works in for any well planned business idea</td>
</tr>
<tr>
<td>UNLIKE</td>
<td>Complete business plans, or several minute venture pitches</td>
</tr>
<tr>
<td>OUR</td>
<td>The 7 Step Elevator Speech Template provides an algorithm that creates a compelling and well constructed description of the business, that respects the listener by covering only the necessary points of interest in the business, and concluding within 45 seconds.</td>
</tr>
</tbody>
</table>

Courtesy of B. Datlov
Q&A
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