

DRAFT

**BUSINESS PLAN PRESENTATION FORMAT
“Agenda”**

1. Overview - 1 Slide
2. Market – 4-5 Slides
3. Product / Service of Company - 4 slides
4. Technology - 1-2 slides
5. Distribution - 3-5 slides
6. Competition - 2-3 slides
7. Management - 1 slide
8. Financials - 3-4 slides
9. Capitalization - 1 slide
10. Risks - 1 slide
11. Summary - 1 slide

Total: 23 – 28 slides

Notes:

1. **Overview:**

The slide is the same as the last Summary slide – “Tell them what you are going to tell them and then tell them what you told them.” The slide should have about 5 points hierarchy of messages on it with the number of words minimized. The first two points should explain the market opportunity. The Company’s leadership role should show up in the 3rd point. The last point should be the most “specific” e.g. “cash required to breakeven is X.”

The Overview/ Summary slide will need to be iteratively honed as the rest of the presentation is perfected. (Personally, I like to make a trial cut of this slide at the beginning of the process of creating these presentations).

2. **Market Section:**

Getting this section right is about 90% of the hard work of putting together the presentation. Obviously, this is because it is this section which states the strategic case for the Company. Why does the world need a new company to do this? Why isn’t this just a product opportunity, not a company opportunity? The market must be described in such a way that it has several characteristics (if the company is to be interesting). The market (segment) must be emergent – i.e. cannot be much larger than your company by definition. The ultimate market must be open endedly large. The market opportunity boundaries must be outwardly movable. Your company must be able to be the market share leader of the defined market.

Four to five slides are the maximum here to describe the “opportunity.” There needs to be a clear hierarchy of the flow of the messages from the first to last of these slides (as well as from the top to the bottom of each slide). By the last slide, the opportunity “market need” should be tightly enough defined that your company’s product offering is an exact fit.

You will note if you review this format that the emphasis is on the “market” description and only then the fit of the Company’s product/services, distribution, and competition. The formula for success in our business (“build the leader of an emergent large market”) is so simple (if elusive) that we sometimes lose sight of it and do not always apply it rigorously as an acid test. We all know how hard it is (particularly in software) to get the “right” market definition (which is both realistic and allows the company to be the market share leader of an interesting market). The annual money raising process is the incentive to rethink this market leadership targeting formula. The rest of the Company’s BPP falls into place if the Market Section can be gotten right (and vice versa). Looking retrospectively, has there ever been a significant venture success in IT products that were not “market share leader in an emergent large market?”

3. **Product Section:**

This 3 – 4 page section is a description of the Company's product. It should be an exact fit with the needs laid out in the prior market opportunity section.

4. **Technology:**

This 1 – 2 page section is intended to establish the proprietary nature of product and the intellectual property of the Company.

5. **Distribution:**

This 3- 4 slide section should describe how the Company will market and sell its product. It should cover the sales successes to date (such as partnerships). Pricing strategy should be covered if especially pertinent in this case.

6. **Competition:**

This 1 – 2 page section is critical since uniqueness is always paramount. If the Market Section has been done right, this section is pretty easy and vice versa. Obviously, we want our companies in the upper right corner and all alone when we draw a Gartner market map.

7. **Management:**

This one slide section will need to be located just behind the Overview if the audience is new and establishing personal credibility is essential before laying out the Company's ideas on the market opportunity and product needs.

8. **Financials:**

This section should include P&L, BS, and Cash Flow information going back two years and forward three years. Monthly or quarterly for recent and near future periods.

9. **Capitalization:**

Who owns what and for how much?

10. **Risks:**

This one page section should attempt to clearly identify the top three or four Risks to the success of the Company's plan. Sooner or later investors will understand these so management should lay them out and address them explicitly.

General

The slides should meet certain standards by which management should evaluate the work, in particular:

- 1) Every slide should "stand on its own" as measured by whether the messages in the slides are clear and do not require an entrepreneur "explaining" the messages.
- 2) A clear hierarchy of messages should be clear in the presentation as a whole, within each section and on each page.
- 3) The number of words per page needs to be minimized.
- 4) Each section should be "hermetic" in the sense that ideas should not bleed from one into the other. Sections should build on each other, but the ideas should be isolated. For example (and in particular) the Company product specifics should not show up in the Market Section. One reason to keep these sections as separate modules (with a section heading slide which does not count as one of the pages) is that it is a lot easier to build a clear presentation, especially if multiple parties are being asked to contribute to its creation. If the ideas leak between sections, the messages get jumbled up and are hard to separate and communicate, much less evaluate.