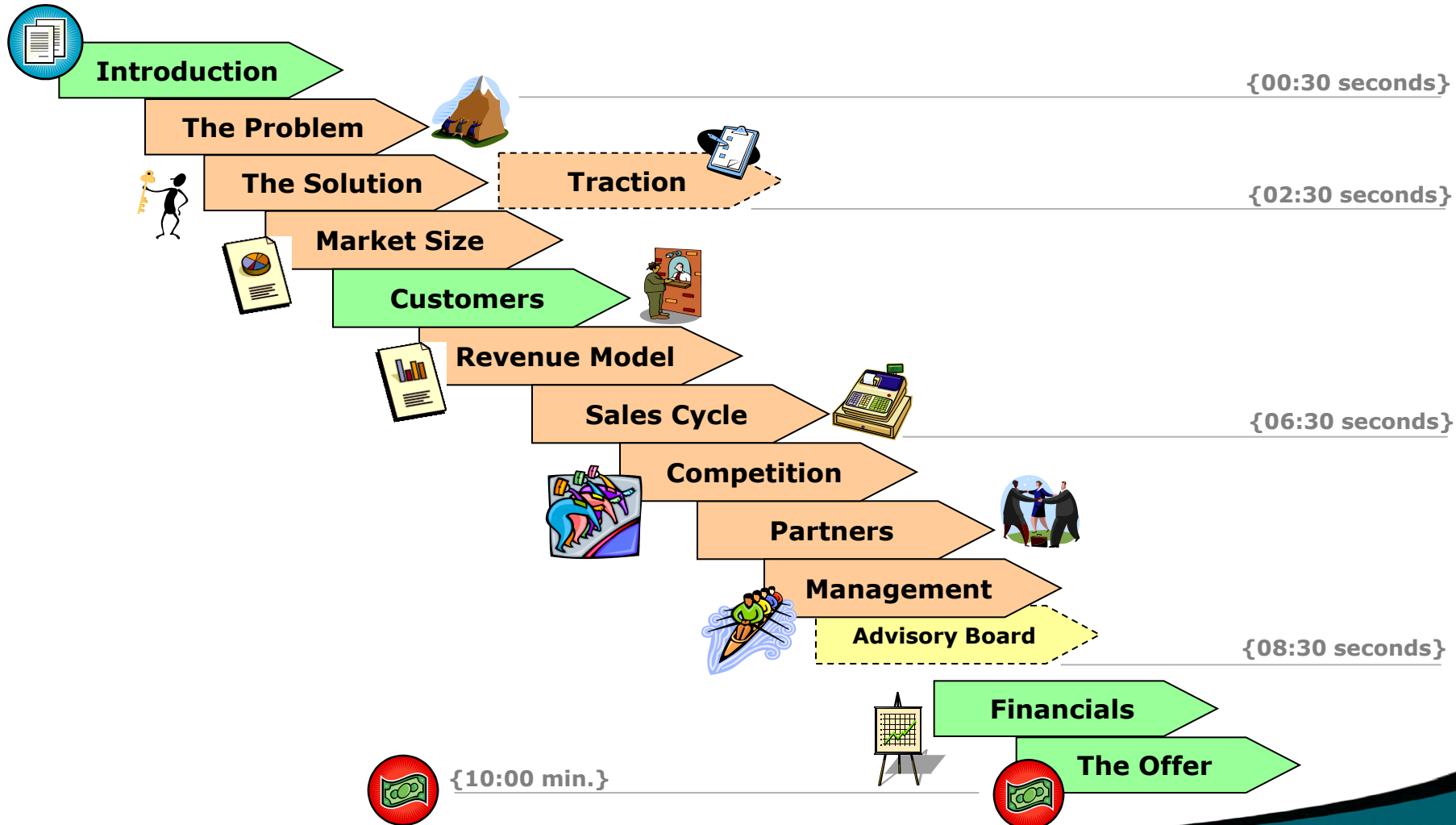




# The Anatomy of the 10 Minute Pitch





# The Problem

The Problem



- ***Define the problem and WHO has this pain***
  - Graphs
  - Pictures
  - Tell of a Problem Scenario that sets up a Usage case for your product or service



# The Solution

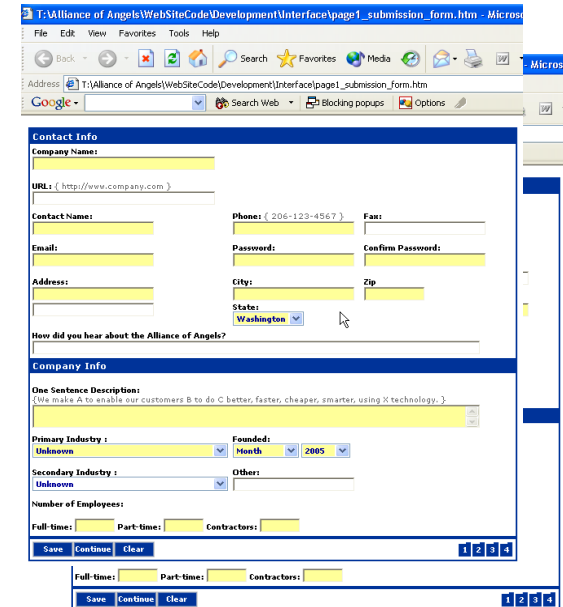
The Solution



## Overview of primary product or service that will solve the problem

- *Use multiple slides if necessary*
- *Do not exceed time limits*
- *Product Photos, Screen shots*
- *Logical Flow and Architecture diagrams*
- *Short list of Feature/Benefits*

**Be clear about the status of product development**



The screenshot shows a web browser window displaying a form for the Alliance of Angels. The form is divided into two main sections: 'Contact Info' and 'Company Info'. The 'Contact Info' section includes fields for Company Name, URL, Contact Name, Email, Address, State (a dropdown menu set to 'Washington'), Phone, Fax, Password, and Confirm Password. The 'Company Info' section includes a 'One Sentence Description' field, Primary Industry (a dropdown menu set to 'Unknown'), Secondary Industry (a dropdown menu set to 'Unknown'), Number of Employees (with sub-fields for Full-time, Part-time, and Contractors), and a 'Founded' dropdown menu set to 'Month' and '2005'. At the bottom of each section are 'Save', 'Continue', and 'Clear' buttons.



# Market Size

Market Size



- *Build the number from the ground up*
  - Total **Addressable** Market
  - Use drivers relevant to your product
- *Show the different segments*
  - Pie Graph works well
  - Explain how you prioritize the segments
    - “This is our initial market” (speak to why)
- *If you must use 3<sup>rd</sup> party figures, cite the source*



# Revenue Model

Revenue Model 



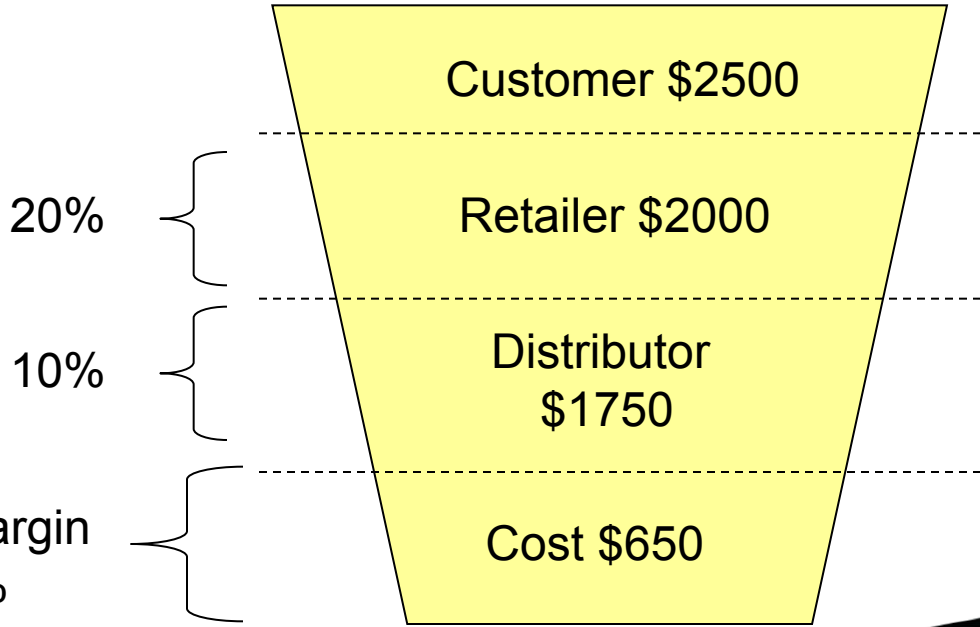
- *Licensed Software*
- *Hosted Solution, Monthly Fee + 2% of all transactions booked through our system*
- *We Sell Widgets; Direct and Through a Channel*
- *Time and Materials*

Average Customer is worth \$60,000 in annual Revenue

Avg Customer Buys 24 Widgets per year

Gross Profit \$1100

Gross Margin >60%





# Competition



- *Indirect Competition*
  - Summarize the current alternatives (other technologies or types of products)
- *Direct Competitors*  
*(logos are easier to read than text)*
  - List competing company 1 and an analysis
  - List competing company 2 and an analysis
  - List competing company 3 and an analysis
- *Use a matrix if possible*



# Partners



**Preston | Gates | Ellis** LLP

- Pay Sponsorship for MBA fellows
- Contribute to deal flow
  - *Commitments renewed on an annual basis*

**AHT**  
ARMFIELD, HARRISON  
& THOMAS, INC.  
INSURANCE

 **Silicon Valley Bank**

 **ERNST & YOUNG**  
*Quality In Everything We Do*

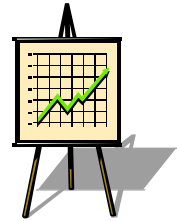
global technology public relations  
**TEXT100**

- In-kind sponsor
- Public Relations Strategy

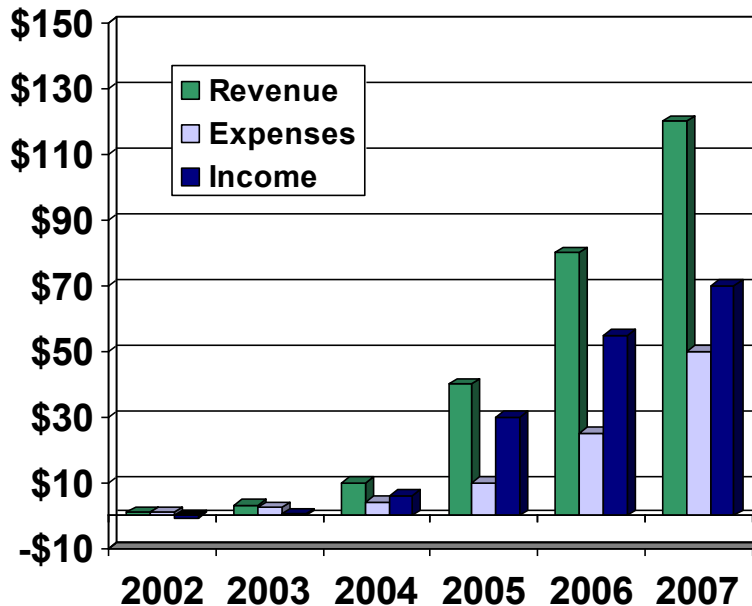


# Financial Projections

Financials



Five Year Projections (Millions, US)



## Assumptions:

- In 2006, \$\_\_ per sale
- In 2006, \_\_ customers
- 2006 market share: \_\_ %
- In 2006, \_\_% from new sales; \_\_% from recurring
- U.S. market only
- Does not include future product extensions

## Global Assumptions

- Legislation passes in year 2
- Year 3 we get certification to market in the U.S.





# Funding Requirements

The Offer



## ***Prior Funding:***

- \$ from founders, \$ from outside investors, \$ grants

## ***Current Round:***

- Seeking \$1 million (\$500,000 raised)
- Pre-money valuation: \$2 million (range will be fine)

## ***Use of Funds:***

- Finish v 2.0 Prototype
- Launch in xxx market
- File patents

## ***Future rounds:***

- *Series B of \$ million expected in early 2004*

## ***Exit Strategy:***

- Acquisition (perhaps Microsoft, IBM or Nike)



# General Presentation Rules

- *Examples of the Bad:*
  - Generics instead of Specifics
  - Busy backgrounds (text over text)
  - Diagrams: Too much or too little tech.
  - Unnecessary animation
  - Over-use of clip-art

Now... some bad examples...

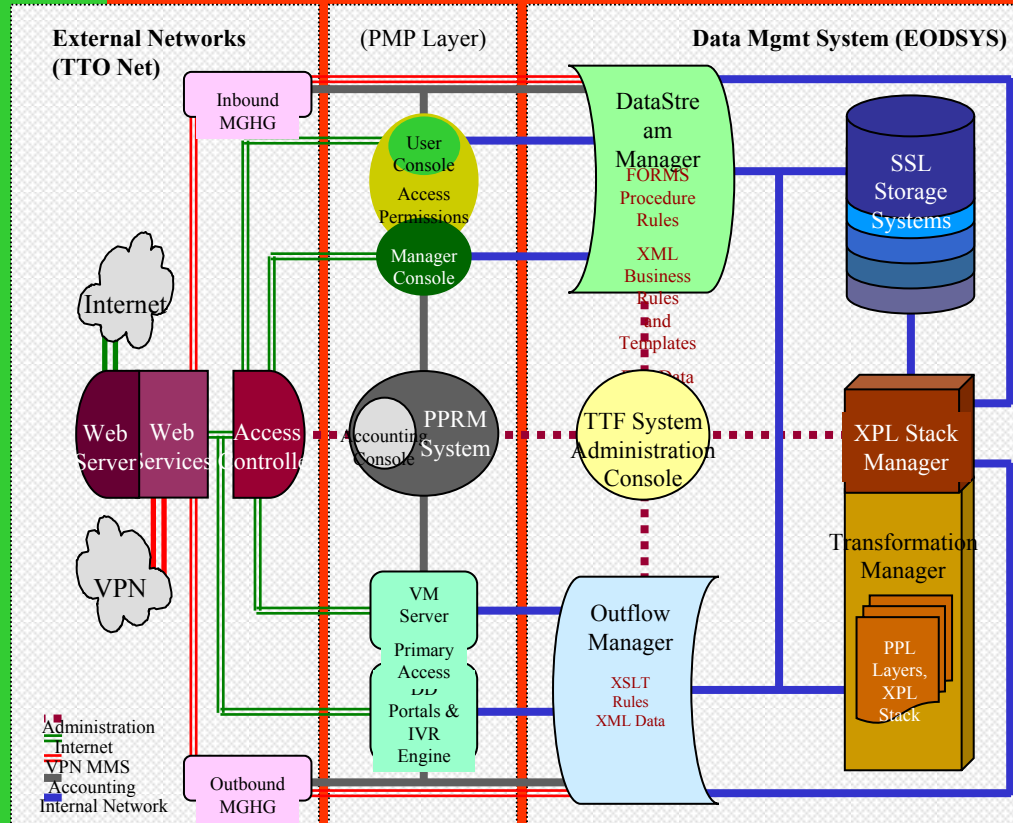
The Corporation has leveraged the extensive product design, research and development and invention experience of its founder and invented a patentable, **disruptive core technology**, which solves general imaging problems in a dramatically **improved new paradigm**. The technology provides vastly improved solutions to traditional medical diagnosis problems. In addition the new paradigm easily affords new and compelling additional ‘natural’ features. The superior paradigm makes feasible the solution to new, real problems that require solving. **These new features will increase the basic usefulness of the product by about 200%**. The technology is disruptive because it is a very dramatic improvement over the old technology, is applicable to the full range of problems, and offers extremely compelling new and basic features. All of this together will raise the bar of what is expected in similar products. **It will be offered to the marketplace at half the price of the existing technology**. Funds are sought to develop the prototype, and finish the patenting process. \$5,000,000 will be required to complete this phase – the seed phase. The prototype to be developed in the seed phase is the main collateral of the next phase, in which an additional \$15M will be sought to bring two initial products to market. The vision is to very aggressively market two carefully chosen initial products with the goal of **ultimately gaining 80% market share**.

BadCo.com is about to revolutionize the way you think about annoying PowerPoint presentations.



BadCo.com

Network Diagram explaining the process





# Financials

## Balance Sheet Forecast

	2004	2005	2006	2007	2008
Cash	1,058,841	1,852,321	1,223,236	12,072,691	34,393,913
Accounts Receivable	0	3,802,500	10,660,225	40,538,689	72,369,049
Prepaid Expenses	0	0	0	784	784
Supplies	0	0	0	0	0
Inventory	20,449	682,276	1,256,641	5,174,108	15,389,929
<b>Current Assets</b>	<b>1,373,584</b>	<b>17,114,769</b>	<b>30,162,064</b>	<b>147,482,673</b>	<b>335,718,859</b>
Total Long-Term Investments	0	0	0	0	0
Property & Equipment	27,889	60,516	79,524	219,961	635,209
Total Software Tools	2,704	2,500	1,681	1,600	1,521
Other Noncurrent Assets	0	0	0	4,624	4,624
<b>Total Assets</b>	<b>1,934,881</b>	<b>19,651,489</b>	<b>33,814,225</b>	<b>161,830,060</b>	<b>369,663,394</b>
Total Current Liabilities	16,384	3,041,536	8,082,649	47,045,881	84,897,796
Long-Term Debt	0	0	0	0	0
<b>Total Liabilities</b>	<b>16,384</b>	<b>3,041,536</b>	<b>8,082,649</b>	<b>47,045,881</b>	<b>84,897,796</b>
Preferred Stock, Net	9,000,000	36,000,000	36,000,000	36,000,000	36,000,000
Common Stock, Net	25	25	25	25	25
Retained Earnings	3,034,564	11,002,489	9,193,024	20,095	16,069,134
<b>Total Stockholders' Equity</b>	<b>1,595,169</b>	<b>7,225,344</b>	<b>8,838,729</b>	<b>34,377,635</b>	<b>100,272,834</b>
<b>Total Equity &amp; Liabilities</b>	<b>1,934,881</b>	<b>19,642,624</b>	<b>33,825,856</b>	<b>161,855,503</b>	<b>369,701,849</b>

## Income Statement Forecast

### Revenue

Primary Product	\$ -	\$ 30,371,121	\$ 99,181,681	\$ 138,203,536	\$ 193,237,801
Secondary Product	\$ -	\$ -	\$ 2,036,329	\$ 93,973,636	\$ 479,303,449
Total Other Products	\$ -	\$ 1,036,324	\$ 23,097,636	\$ 62,394,201	\$ 134,977,924
<b>Net Revenues</b>	<b>-</b>	<b>42,627,841</b>	<b>262,180,864</b>	<b>861,363,801</b>	<b>2,247,897,744</b>

### Cost of Revenue

Primary Product	\$ -	\$ 11,600,836	\$ 37,884,025	\$ 52,765,696	\$ 73,822,464
Total Secondary	\$ -	\$ -	\$ 777,924	\$ 35,880,100	\$ 183,060,900
Total Other	\$ -	\$ 396,900	\$ 8,814,961	\$ 23,824,161	\$ 51,552,400
<b>Total Cost of Sales</b>	<b>-</b>	<b>16,289,296</b>	<b>100,120,036</b>	<b>328,878,225</b>	<b>858,607,204</b>

<b>Gross profit</b>	<b>-</b>	<b>6,215,049</b>	<b>38,266,596</b>	<b>125,753,796</b>	<b>327,972,100</b>
Other Income/(Loss)	-	-	-	-	-
Interest Income	-	-	-	362,404	2,849,344
<b>Total Income</b>	<b>-</b>	<b>6,215,049</b>	<b>38,266,596</b>	<b>139,617,856</b>	<b>391,960,804</b>

### Operating expenses

General and Administrative	\$ 93,636	\$ 1,600,225	\$ 3,337,929	\$ 9,394,225	\$ 23,193,856
Research and Development	\$ 736,164	\$ 887,364	\$ 795,664	\$ 1,567,864	\$ 2,732,409
Selling and Marketing	\$ 302,500	\$ 3,080,025	\$ 8,838,729	\$ 18,101,723	\$ 34,031,029
<b>Total Operating Expenses</b>	<b>2,937,796</b>	<b>15,697,444</b>	<b>32,398,864</b>	<b>73,474,994</b>	<b>151,354,262</b>

<b>Income from Operations</b>	<b>2,937,796</b>	<b>2,157,961</b>	<b>244,036</b>	<b>10,525,122</b>	<b>56,180,841</b>
Amortization, Depreciation, Interest	\$ 784	\$ 11,449	\$ 43,681	\$ 125,316	\$ 335,241
<b>Net Income before Taxes</b>	<b>3,034,564</b>	<b>2,483,776</b>	<b>81,225</b>	<b>8,353,513</b>	<b>47,836,423</b>
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 7,650,756
<b>Net income after Taxes</b>	<b>\$ 3,034,564</b>	<b>\$ 2,483,776</b>	<b>\$ 81,225</b>	<b>\$ 8,353,513</b>	<b>\$ 17,225,721</b>

### Cash Flow Forecast

Net cash provided by operations	\$ 2,989,441	\$ 13,300,609	\$ 808,201	\$ 1,856,618	\$ 3,374,770
Cash flows used for investing activities	61,009	18,225	11,664	87,616	261,121
Cash flows used for financing activities	9,030,025	16,924,996	565,504	1,695,204	1,132,096
<b>Net increase in cash</b>	<b>1,058,841</b>	<b>110,224</b>	<b>65,025</b>	<b>5,610,161</b>	<b>5,712,361</b>
Cash, Beginning	-	1,058,841	1,852,321	1,223,236	12,072,691
Cash, Ending	\$ 1,058,841	\$ 1,852,321	\$ 1,223,236	\$ 12,072,691	\$ 34,393,913



# General Presentation Rules

- *Good examples*
  - Use of pictures or graphs instead of text
  - Subtle branding
  - Actual pictures or screen-shots of your product

Now... some good examples...

# What We Do

Geospiza builds software for scientists that transforms living material into digital information

The collage displays several key software components:

- New Plate Sequencing Request:** A form for creating sequencing requests, including a grid for well selection and fields for sample information.
- Geospiza Discovery Server:** A dashboard showing folder reports, folder statistics (e.g., Zero trimmed length sequences: 10.95%), and a Phred Q20 Histogram.
- Instrument Capillary Usage:** A grid showing capillary usage across different lanes and samples.
- Sample Information:** A screen for adding primers and viewing sequencing requests.
- Items/Payments Table:** A table listing orders, descriptions, quantities, unit costs, and amounts.
 

Order ID	Description	Qty	Unit Cost	Amount
-4 of 4				One Page
	One plate of samples	8	1000.00	\$8000.00
	One tube sample	10	300.00	\$3000.00
n/a	Oligos delivered extra fast	2	1000.00	\$2000.00
n/a	Oligos synthesized and delivered	5	400.00	\$2000.00
- Read Lengths by Lane/Cap #:** A bar chart showing read lengths for different lanes and capillaries.
- Sequencing Results:** Multiple panels showing sequence alignment, quality scores, and chromatograms.



## How the process works



**Step 2:** Collect sample:  
labs isolate and purify  
the DNA



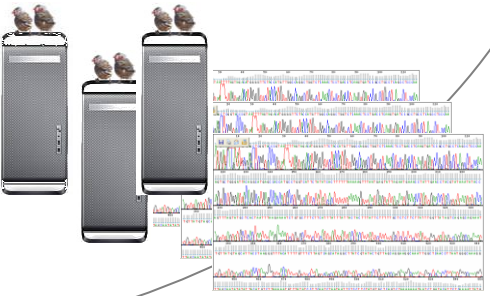
**Step 3:** Instruments perform  
automated chemistry to  
sequence the DNA



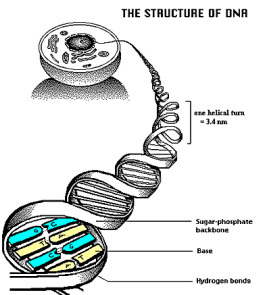
**Step 1:** It starts and  
ends with scientists and  
their samples

From sample to result, Geospiza software  
automates these steps, making it better,  
faster and easier to deploy

**Step 5:** Results provide insight  
on disease type, recommended  
therapies or lead to new  
scientific discoveries




































**Step 4:** Sequenced data are  
processed, analyzed and  
stored on a computer








## Competitive Position

Attribute	LazerTech	\$6M Man	Amalgodyne	SunnyField
Compatability				
Size				
Strength				
Speed				
Applicability				
Durability				
Weight				
Price				 → 

# Mercent Competition

	Amazon.com	Traffic Portals	Search Engines	Affiliate Networks	eBay	Installed Solution	Hosted Solution	Major Retail Customers	Amazon Certified	Microsoft Certified
	○	○	●	●	●	○	●	○	○	○
Competitor 1	●	○			○		○			
Competitor 2		○			○	○				
Competitor 3	●	○	○		○		○			
Competitor 4	●	○	○				○	○		

- Supported
- Planned/Announced

# Competition

