



Taking a Business Plan on the Road

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You've put in the time and resources to build a business plan for your business, now you need to take it on the road to obtain funding. You may have decided to target angel investors, venture capitalists, strategic partners or your local bank. Or you may need to add advisors to your board. At any rate, you'll need to generate excitement and interest in your business idea, usually in a very short amount of time.

How do you best do this? You'll create a dynamite presentation that will allow your audience to take all the vital points without overwhelming them with the details – you want to have them asking you for the details. Pull out the key factors and rehearse your presentation. **Your goal is to convey your message in under 10 minutes.** Here's an outline to help you create your material.

Establish your Goals

Be very clear as to what YOU need to get out of the meeting. Do you need funds, or do you need expertise, or both? Think about the factors that will compel your audience to do business with you. Understand your audience and adjust your pitch to their specific strengths. Pitching a business plan is probably one of the most crucial activity in the life of a company, so don't make the mistake of thinking one size fits all. This is the time to customize, customize, customize.

Separate your presentation into two sections: one is the visual element, and the other is the script. The visual element consists of the slides and a printout of the slides. The script is what you'll narrate to the presentation.

The visual elements are there to reinforce your speech, not to take the investors' attention away from you. Use bulleted lists and keywords liberally. And never read your slides, never even look at the screen, only look at the investors.

Your Business Positioning

Fewer words have more impact. You are probably passionate about your business, and so you'll tend to go on and on about all the positive attributes of your business proposition. Stop right there, and instead, imagine you are reading the morning paper, and the front-page headline is about your business.

What does it say, and does it make you want to read on? That's the effect you want to achieve with your business positioning. Get a professional writer to help if you are getting lost in the details.

If you want to go it alone, then pull out the keywords for each of the following segments: your target customers, your competitors, your unique product/services attributes and benefits. Can you stitch together a powerful one-sentence descriptor that will excite a prospective investor?



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Who and Why

This section will make or break your presentation. It's as simple as answering the questions who will buy and why would they buy your products and services. Summarize – if your audience wants more information, it's in the written business plan, which you can pull out if they ask. But they'll most likely only want the big picture from you: size of market (make sure you can quote the source of your data), the market needs and the market characteristics (size companies, industry segments, purchasing habits etc.). If you already have customers, use them to validate your points.

What

Benefits: couch the description of your products and services in terms of the benefits they give your customers. Of course features, technology, innovation, competitive advantage, fit to market needs, future product plans, etc., are extremely important, but if you cannot succinctly state your offerings' benefits, you won't make much progress convincing potential investors to join you.

Competitors

Regardless of how convincing you may be about the uniqueness of your products and services, you must include a section about competitors. Anyone who has ever gone in front of investors and stated that they don't have competitors have instantly lost credibility. Be factual and position your business strongly against these external market forces. You may have an advantage in terms of barriers to entry, if you're in the technology space. You may be flying under the radar, meaning that the big market leaders may not yet have entered your space.

Always end with a strong statement why you are confident that you will succeed against your competitors.

Business Development

This slide needs three bullets: one for market launch/market penetration strategy, one for your sales and distributions channels, one for your promotional strategy.

Your team

You are selling your team as much as you are selling your business. If you have succeeded in assembling a strong team, then make sure that you focus only on the skills they possess that will help your business succeed: prior entrepreneurial experience, documented expertise in core business, ace marketers with success stories to tell, financial acumen launching and sustaining a business.

We're not talking pedigree as in Ivy League credentials, though it certainly can't hurt. We're talking about past successes. And don't forget your Board of Directors and Board of Advisors.



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Your needs

Put your needs in the context of your business plan objectives. Identify the specific steps you'll take to achieve positive cash flow. Outline how you'll use the fund and the milestones to support your objectives – be realistic. Rome was not built in one day, and your business won't either.

Financials

Share your financial projections, and if anything appears too good to be true, be sure that your potential investors will see it as well. Speak about your assumptions, and defend them. You'll be questioned hard in this section, because you're now entering the money discussion. Know your numbers frontward and backward.

Investors' #1 Question

How will get their investment out of your business? No pie in the sky here, but solid alternatives. If an IPO is realistic, give recent comparable offerings, their valuation and market cap. If you plan on being acquired, how quickly will that be and who are the most likely buyers? Try to couch this section specifically to each inventor group, as they may have different philosophies behind their exit strategies. If your objective is to build a sustainable business without IPO or acquisition, you'll need to offer a reasonable return on investment. Regardless of your strategy, excitement is key here. The last thought you should leave with your potential investors is the answer to the question: what's in it for me?