



Your Questions?...

- n On the LCO assignment?
- n On the course?
- n Others?

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Mechanics for Thu's LCO Project Proposal Presentations

- n Let us know by the end of today who your partner is for this assignment.
- n All presentations, submitted Wed night, will be loaded on a tablet by us and you will be able to run them from there.
- n Avoid using animations in your PowerPoint presentations!
 - n This is a restriction of the projection software we're using.
 - n If you need to add content to a slide (dynamically), simulate this by making the next slide have all the content of the current one plus whatever new content you need.

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Mechanics for Thu's LCO Project Proposal Presentations

- n Everyone needs to take part in the presentations.
- n Teams should plan on a 8-10 minutes per presentation, with additional 3-5 minutes for questions.
 - n In the interest of fairness, we will time all presentations.
- n The order of presentations will be determined on Thu in class. We will start promptly at 9:40am, so be sure to arrive on time in case your team is chosen to present first.
- n Let us know if you do *not* want to be on the video record.
 - n If so, your team's presentation will be edited out and won't be on the final video record of the class.
 - n **Tip:** It is very helpful to see and hear oneself on video – it highlights areas for improvement.

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Lecture 04: Pitching Project Ideas

Valentin Razmov

Pragmatic Programmer Tip:
It's Both What You Say and the Way You Say It.
There's no point in having great ideas if you don't communicate them effectively.

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Resources

- n "*A Brief Comment about What It Means to Be an Engineer*", Bjorn Freeman-Benson
- n "*20 Questions for Startup Success*", Norm Meyrowitz
- n "*An Introduction to Venture Capital*", Granite Ventures
- n Presentation evaluation criteria, Philip Greenspun
 - n <http://philip.greenspun.com/seia/writeup/>

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Outline

- n When Do We Make Pitches?
- n What Makes a Successful / Unsuccessful Pitch?
- n "Elevator Pitches"
- n Value Proposition Statement

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When Do We Make Pitches?

All the time!

- n To colleagues:
 - n to argue for a technical direction
- n To management:
 - n to convince that your idea/project/approach is of value
- n To customers:
 - n to purchase your product, to fund your project, to change their requirements, etc.

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Will Your Project Idea Get Approved?

- n Money is rarely the (real) issue...
- n The trick is to convince yourself and others
 - n that you will deliver a large positive payoff
 - n that you can manage the risks while building it
- n The different stakeholders (customers, management, developers, etc.) define success differently and you must satisfy (nearly) all of them at once.
- n Payoffs: money, market share, credibility, capability, satisfaction
- n Risks: wasted money & time, loss of credibility, opportunity cost

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Questions Your Audience Will Be Asking Themselves

- n **Q1:** Will this project make a positive difference for us (our company)?
- n **Q2:** Do I want to hire this team (to work for us)?

The answers to both are independent, but you'd like both to be "Yes."

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Characteristics of Unsuccessful Presentations

- n Do you recall presentations / talks that you did not like? What problems did you have with them?

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Projects That Will Almost Certainly Never Be Funded

- n "... because I think this will be fun to work on."
- n "... because it's clearly better technically than the brain-dead solution proposed by those marketing folks who talked to our uninformed managers."

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Characteristics of Successful Presentations

- n Do you recall presentations / talks you've attended that you liked very much? What aspects were so appealing to you?

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What Makes a Successful Pitch

- n Presented at a level appropriate for your audience
 - n Customers, marketing people, VPs of Engineering, and developers all have rather different mindsets and measures of success
 - n Do you know who your audience will be on Thursday?
- n Answering the audience's (unspoken) questions
 - n What questions do you anticipate they/we will have?
- n Focused and succinct statement of the value you propose and how specifically you intend to provide it
- n Credibility of the team
 - n If you've successfully completed other similar projects, tell them that, but don't brag.

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What Makes a Successful Pitch (cont.)

- n It helps to have something tangible to show briefly (even a sketch)
- n Distinguishing yourself from others who offer the same (or similar) product
 - n How else would you convince your audience that they shouldn't go to your competition that has already successfully built this product?!
- n Leaving your audience with something positive they can remember you with for long
 - n I still remember a few of the pitches I've heard months ago, and I don't remember many of those I've heard even a week ago.
- n **Advice:** Keep all of this in mind when applying for jobs and talking to potential employers!

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Pitches in the Investment Process

The investment process

- ◆ Create and refine a pitch
- ◆ Get lots of advice and feedback....refine
- ◆ Be prepared for detailed diligence
 - Market models
 - Technical papers and analysis
 - Financials
 - Customer feedback
- ◆ Partner meeting
- ◆ Term sheet
- ◆ Legal work to close deal

GraniteVentures

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"Elevator Pitches"

- n 30 seconds to 1 minute in length
 - n "Tell me what you've been working on."
- n Covers **the most** essential parts from the point of view of your listener
 - n No one cares about details and no one will remember them anyway.
- n Use your time wisely
 - n You are *not* marketing something that's already been made.
 - n You *are* trying to figure out if there is a need for what is being proposed.
- n A memorable concept to associate with your idea helps tremendously.



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"Elevator Pitches"

Let's Try It!

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Common Mistakes When Making Pitches

- n Not ensuring that everyone can comfortably hear/see what you're presenting
- n Misjudging your audience (their interests, background, requirements, etc.)
 - n E.g., assuming that their understanding prior to the presentation is similar to yours in level of depth
- n Not addressing the "why" question to motivate your idea
- n Not helping the audience understand the "big picture" of the area in which your product fits
- n Not covering existing alternatives and what specific novelty you are offering
- n Not presenting a realistic picture of how the cost of the project justifies its value

This applies to making presentations *in general*.

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Fact or Fiction?



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Value Proposition Statement

- Your audience, after listening to your pitch, must be able to *at least* fill out the following template reasonably accurately.
- From "Crossing the Chasm" by Geoffrey Moore

For (target customer)
who (statement of need or opportunity)
the (product or company name)
is a (product or company category)
that (statement of key benefit / compelling reason to buy).
Unlike (primary "competitive" alternative),
our product (statement of primary differentiation).

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Value Proposition Statement: Let Me Try It

For users of the "pine" email client software on Unix
who need to easily find content in their past email correspondence
the "pine+" product
is an email client software
that is backwards compatible with "pine" and also free.
Unlike "pine" or other similar Unix-based email clients,
our product provides an intuitive way to annotate email messages with keywords of the user's choice in order to facilitate subsequent searching by using one or more keywords in addition to the search functionality that "pine" offers.

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Value Proposition Statement: Your Turn...

For (target customer)
who (statement of need or opportunity)
the (product or company name)
is a (product or company category)
that (statement of key benefit / compelling reason to buy).
Unlike (primary "competitive" alternative),
our product (statement of primary differentiation).

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Value Proposition Statement for Yourself

- This format works for a personal value proposition, as well as for a product value
- An excellent way to distinguish yourself
 - "Unlike the other candidates, I ..."

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Bonus: from "20 Questions for Startup Success"

1. What problem does this product/proposal solve?
2. How does your product/proposal solve the problem?
3. Who are the end users of the product? Is there an addressable market of actual users?
4. Who is your revenue-supplying customer? Are there enough of these paying customers to make a huge business?
5. Does the product solve a problem that end-users/revenue supplying customers actually have?
6. Are you sure that what you're building a product and not just a "feature"?
7. Does your stuff easily fit into the way that people work?
8. Are you too involved in how you're building your product rather than WHAT you're building?
9. Who are the potential partners? Who are the required partners?
10. What is the go-to-market strategy?

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Bonus: from "20 Questions for Startup Success" (cont.)

- n 11. What is your sustainable competitive advantage? In other words, will you soon be overtaken by others who do something similar?
- n 12. Do you have a time-to-market / first-mover advantage?
- n 13. Can you be #1 or #2 in the space? Who is your competition?
- n 14. Is there a team formed/identified with a record of successful ventures? Have they done something like this before?
- n 15. Is there a "soul" of the team that knows where this product AND business is going for the next few years?
- n 16. Is anyone on the team insane? Also, are the members of the team totally passionate and aligned on this business?
- n 17. Are there product/technology/operations barriers to success? If yes, can they be overcome?
- n 18. Are there marketing/sales barriers to success? If yes, can they be overcome?
- n 19. Are there legal barriers to success? If yes, can they be overcome?
- n 20. Is there an exit strategy?