

# Pitch the way VCs think

presenting with emotion...

# Investors bounce between fear & greed

Emotion is the reason to invest: feelings, stories, narratives not facts!

Rationale is the reason to “explain investment or not invest”

Complexity scares investors; KISS works; jargon-free

Play games or hide things: good investors will notice

Judging you: be confident, transparent, humble... but don't trigger BS meter!

# Surprising truths

Message sent is OFTEN not the message received

Simplify: Tell the “story” well enough to get to complexity later

Steer into your investors’ objections! Don’t avoid them; ask

How do you become one of the 3 out of 1000’s in a 7 years?

Your goal: get to the next stage... get investors to dig in

# Investors' view of your business model

There are startups that know how they'll make money & those that haven't figured it out yet but can define options/tests to run

Technical startups should have technical risk & lower market risk

Series Seed, A, B have increasing specificity & more risks eliminated;  
Series C should be growth round. What do you de-risk with this round?

# Your “first pitch” goal

Make sure investors know what you do in first 60 secs

Show why it is awesome: “If I can prove x, then...”

Show market is big enough or new to be exciting

You can or have figured out the product market fit

The technical risk is manageable & market obvious

And LAST the team is worth backing

You're selling the partnership, through your sponsor VC, so give the individual partner the talking points to overcome all objections; pick the right partner

# Engineer the investor's "email"

Vinod Khosla, David Weiden, Samir Kaul, Sven Strohband

Prism Opportunity

Team,

Reviewed a very interesting company today.

- Opportunity: 100 inch plus displays at 1/4 the price of the best in class competitive technologies.
- Technology: Laster TV on phosphorus screen.
- Competitive advantages: COGS-- utilizes off the shelf components. Bezel-- it has none, enabling, stackable display. Energy-- 20% of competitive technologies.
- Risk: Valuation is high. Market adoption may be slower than company expects.

I would like to discuss on Monday and get help with diligence calls.

--

Kristina Simmons | [khosla ventures](#)

2128 Sand Hill Road

Menlo Park, CA 94025

[ks@khoslaventures.com](mailto:ks@khoslaventures.com)

A rich text editor toolbar with various icons for undo, redo, font face (Sans Serif), font size, bold, italic, underline, text color, background color, bulleted list, numbered list, and indent.

A row of buttons and icons for email composition, including a blue 'Send' button, a text color icon, an attach file icon, a link icon, an emoji icon, a share icon, a currency icon, and a trash icon.

# Preparing to design a deck...

# Starting prep: everything you want to say

## Reasons to Invest

### Data/Technology/IP

10x better than anyone else in the space  
12 patents with IP blocking key competitive threats

### Business/Model

Built in market effects

### Initial market

Initial market is \$~10 billion, but could expand to \$30 billion as they grow the market

### Exciting upside market

Strong results with less than \$3m invested  
Technology can be applied to other markets  
Network and market effects built in product  
Growth can be fueled by strategic partners

### Team

John Smith, CEO, PhD in Computer Science, previously CEO of Woozle  
Jay Joe, CTO, PhD in Mechanical Engineering, previously CTO of Nest  
Andy John, COO, previously COO of Square

## Reasons to NOT invest (risks)

- Launch vehicle delay or failure
- SkySat-1 fails before 2 year design lifetime
- US Government regulation
- Customer product requirements mandate scope creep & cost increases
- Technology development results in cost increases & delays
- Delay in recruiting remainder of team
- Large information product market fails to materialize
- Anchor customers reduce data budgets
- Actual on-orbit images fail to meet lead customer requirements
- Competitors match Skybox's low commercial pricing
- Lower cost monitoring solutions materialize
- Payload supplier can't deliver on time/on budget
- Automated imagery analysis capabilities require more time/effort to implement than anticipated
- US Government commissions similar constellation to Skybox
- Skybox satellite or ground station security compromised
- Foreign government imaging satellites compete with Skybox

# Prep is an opportunity to cohesively understand your business

The questions brainstorm is a safe space for founders to externalize any anxieties, sticking points, uncertainties & dreads

You want part of your braintrust coming up with questions to be uninitiated to the company and provide fresh eyes

And get the team on the same page & leverage their perspective.

—First Round Capital

# Start: narrow to the 3-5 “lures”

## Reasons to Invest

\$10m gizmo generates \$60m high margin revenue, (wow!, greed)

Low risk, low capex approach to rapid & extensive monitoring

Proprietary high data rate + 95% lower data costs, 900% more data (technical advantage)

Upend \$1.5 b ser. mg., \$3b GIS, \$1b BI markets, a new potential (existing + potential markets)

First gizmo = cash flow positive company (Easy economics if we get to stage 1)

**Read “Fascinate” ,  
Specifically, not  
generically**

# Start: plan to directly address investor fears!

## Reasons to NOT Invest

Contingency for delay or failure

Gizmo fails before 2 year design lifetime

Technology development results in cost increases & delays

Automated analysis technology risks

Large information product market fails to materialize

**Read “contingency  
plans, basecamp,  
preparedness, appendix  
details”**

# Start: roughly budget your presentation

**What you do & market** (2-3) user problem & solution, market product

**Tactics** (2-3) : go to market, segmentation, proprietary business model

**Advantages** (2-3) : Special sauce, IP, uniqueness, unit economics, CAC

**Risks & risk management** (3): risks, contingencies , why now?

**Team Uniqueness** (1) – uniqueness plus “additional needs”

**Financials & contingencies** (3): revenue, cash flows, Contingencies?

**Competition & differentiation** (2): full disclosure on competition, advantages

**Others** (1-2): milestones with fundraise, use of financing

# Write the 20 slide headlines

Slide headlines should each be a message not a title  
("Team" is a title; "Team engineered for this opportunity" is a message)

The 20 slide headlines without content should tell an emotional narrative

Pitch by analogy for association but don't reason by analogy

You can start with your investment thesis or the problem you are solving... more than one way

... but not top down bullshit market numbers

Presenting: Confidence but substance...

Separate now vs. future... but don't trigger the bullshit meter

# Eric Paley's (Founders Collective) advice

## Write a 30-second commercial about your startup

Why is 20% of your equity worth \$10m? The answer, and that script, should be the backbone of your pitch. If Hollywood can tease a 2-hour film in 30 seconds, you can tease a 45-minute meeting

## Start with a splash

Launch right into the biggest statement you can make about your company's impact in the future. The message from the outset should be "If we do our job right, we will completely change the way...!"

## Paint a picture with words

Specific > Generic, every time. Instead of a slide title that says "Team," you could write, "We've worked together for 5+ years at Uber and introduced \_\_\_\_\_ together" Repeat for every slide.

## Add images last

Only start adding images to your deck after you've got the twenty or so slide headlines in order. Graphics are a crutch. They should only be there to support each headline. Ideally, there are no other words beyond the headline.

This isn't easy. In a 16:9 slide format, with 28 point title font, you can only fit in ~15 words or ~75 characters per slide. You likely won't use more than 300 words! Use a subtitle if needed, but brevity is important. The story needs to be crisp.

# Start: Unbudgeted backup with the appendix

Have a backup slide for every question you might encounter!

Convey preparedness with slides for any question or metric

List the questions/objections & update after every meeting; detail ok

Try 2-3 test VC's (not your target) first & redo your presentation

# Mindset in presenting...

# Watch the cadence & engagement:

Don't take 5 slides to explain what you do... go boom, punch, boom!

The first 60 secs is critical: engage audience

Substance over generics; simple meat (not BS) over platitudes

Close with the big reason- your last slide is THE message

# What VCs' value:

**Team:** geeks, sales & marketing forces, entrepreneurs

**Competition:** transparency, unique niches/approaches

**Clear elevator pitch:** no jargon, KISS, punchy

**Credibility:** not too good to be true; practical “reach”

The fundraising founder has to operate at the right oxygen level between the soil and the stratosphere. Not in the trenches, but not in rarified air.

—First Round Capital

# Follow VCs' thought process

Mission: what pain (not vitamin) does company alleviate; prove it's a pain!

Reasons to invest: emotional/greed reasons work better

Risk mitigation: risk management plan shows preparedness; address don't hide

Team: How impressive for the plan? What's special in the "gene pool" vs. names/titles?

Financials with cash flow: What does financing achieve/eliminate as risks?

# Remember

When Song & Schwarz presented “exercise instructions” in Arial, readers guessed that the exercise would take 8.2 minutes to complete. When presented the identical instructions in Brush Script MT, they guessed it would take 15.1 minutes. Plus they were more willing to incorporate the Arial-presented exercise into their daily routine.

## **Implication:**

If we want people to adopt a new behavior, the instructions don't just need to be semantically clear, they also need to be visually easy to read, otherwise the behavior will seem too demanding.

# Visual emotion vs. visual mess

Detail, too many messages, fonts size & type, complex  
or too many graphics, sentences, colors

or

Visual omph thru simplicity!

It matters!

# Make all numbers match: often they don't

Numbers should match consistently

Verbal descriptions: hyperbole without proof loses credibility

The presentation's middle slide

Marketing, financials & actuals (or trends)

P&L, margins %, unit economics, CAC

Appendix slides

Command your numbers: CAC, scalability of CAC, cash flows to risk, details next 4-8 qtrs and 5 yr needs;

If you are really early, talk about everything you have tested and your key, data-driven learnings

VCs like data-driven founders. They like the fact you test and are thesis-driven

Acknowledge if you are a concept or data driven startup

# The deck...

# State the problem clearly:

Be specific, not generic/obvious: Not “Healthcare is Broken”

Focus on compelling pain, not a vitamin: prove it beyond stating it

New market creation is ok: larger, riskier bet ... if sexy!

Concept driven pitches ask to believe in larger vision

Data driven pitches show proof

Which one are you?

# Start: deck detailed rules & tips

No clutter: where does the eye go first?

Don't go to the edges; don't clutter or mix messages

Examine every word, picture, bullet. Is it necessary?

Single line “de-worded” uncluttered messages: titles, bullets...

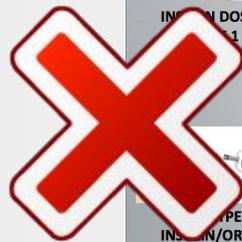
5 Sec Rule: How will each slide be “read” in 5 secs?

Superlatives are not proof: “Show” DON'T “Tell”

Start with an agenda/hook & repeat where you are in agenda/story

1

# State the problem clearly: complex



Our Mission – No More Finger Sticks

**Convenient, infection-free non-invasive glucose measurement in real-time throughout the day and night**

INSULIN DOSING

TYPE 2 INSULIN/ORAL MEDS

GESTATIONAL DIABETES

PERFORMANCE ATHLETE

WORRIED WELL

kv summit

1

# The visceral punch

Our Mission – No More Finger Sticks



2

## State the reasons to invest upfront & punchy

### Reasons to Invest in Zyomed

Only solution for a critical need for 362M chronic diabetes

Technology: silicon-realizable invention for all glycemic use cases

Skeptical evaluation team concludes: “shockingly good results”

Team with strong science & area expertise

\$8m to device prototype & science validation in multi-enter trials

Easy path to Series C & billion dollar market

2

## One Format: each reason addressed one at a time

### Reasons to Invest in Zyomed

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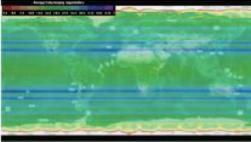
# One key message per slide

## How?



Skybox satellites cost approximately \$4.5M to build & launch, vs \$500M for our competitors



With 36 Satellites, Skybox Imaging will be able to:

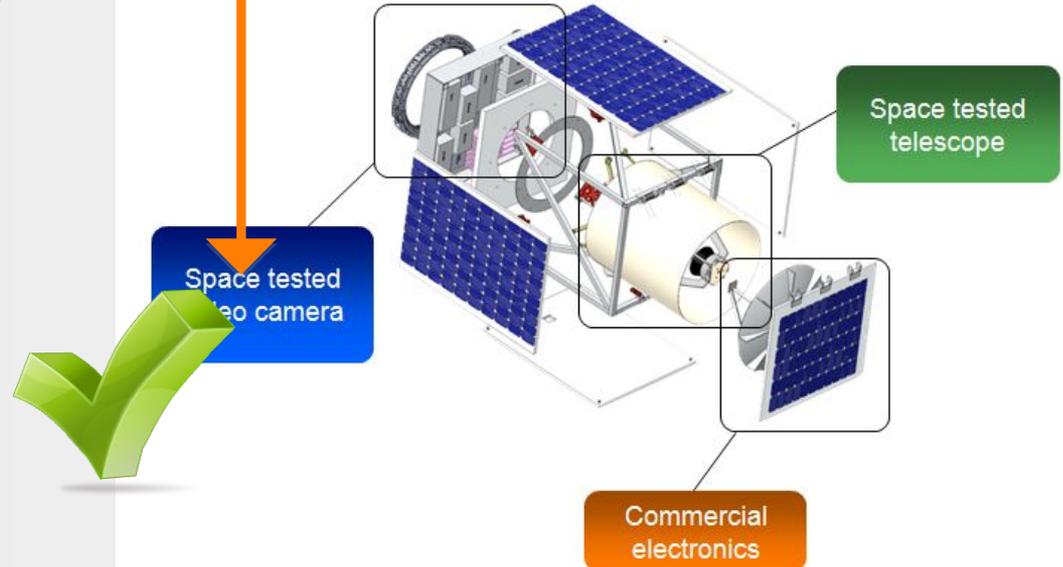
... \$2,000,000 main processor  
... commercial camera-derived imaging  
... vs custom aerospace line  
... er



3

One key “emotional”  
message per slide

“Validated” Low-Cost Satellites



4

# Title is key message

## Satellite Comparison



	SkySat	GeoEye-1
<b>Weight</b>	130 lbs	4300 lbs
<b>Cost</b>		
Satellite Bus	\$775,000	\$280,000,000
Optical Payload	\$1,800,000	\$120,000,000
Launch	\$1,500,000	\$50,000,000
Insurance	\$305,625	\$54,000,000
<b>Total Satellite CapEx</b>	<b>\$4,380,625</b>	<b>\$504,000,000</b>
<b>Amortized cost to image Earth's landmass</b>	<b>\$1,000,000</b>	<b>\$47,000,000</b>

4

## Title is key message: visceral

### Uncluttered: 5 second rule

96% lower data cost

	Skybox	Competitors
Revenue/km <sup>2</sup>	\$2-3	\$2-3
CapEx/km <sup>2</sup>	\$0.02	\$0.27
OpEx/km <sup>2</sup>	\$0.008	\$0.40
Total Cost/km <sup>2</sup>	\$0.03	\$0.67

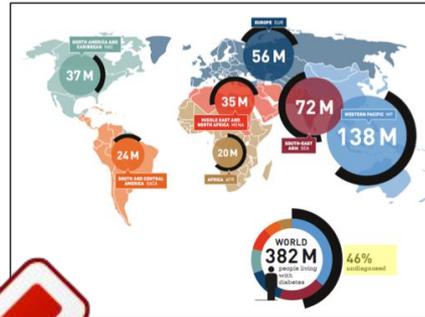


# Title is key message

## Diabetes Problem



### 2013 Diabetic Population



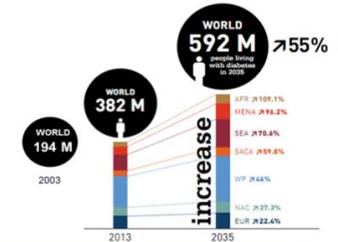
### 2013 Diabetic Healthcare Expenditure



Pandemic due to

- poor diagnosis rates
- lack of blood glucose control

548B – 2013 US costs for diabetes & related complications

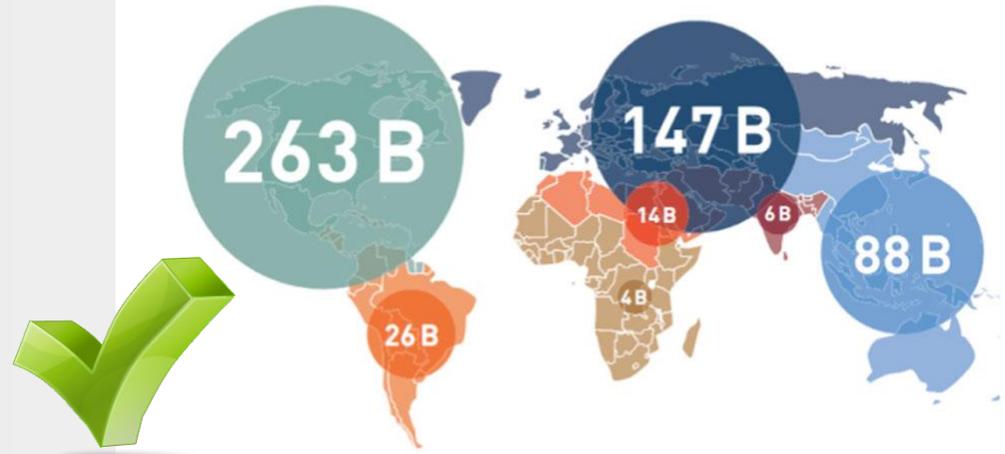


Source: International Diabetes Federation: Diabetes Atlas 2013.

Confidential information...

# 4 Title is key message visceral

Pandemic diabetes growth; massive \$560B spend today!



Source: International Diabetes Federation: Diabetes Atlas 2013.

Confidential |

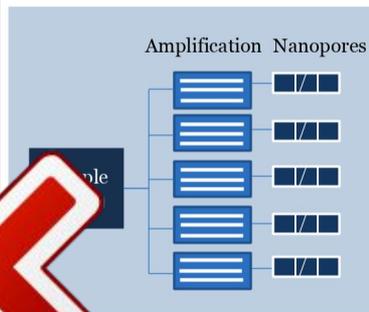
5

# De-word! Few words rule + single line title rule!

## *2PG nanopore based instrument and patented biochemistry provides a powerful diagnostic platform*

- Multiplex 15+ traits from a single sample
- 3-4 traits per nanopore array

### *Sample to Answers*



### *Molecular Test Compatibility*

- “Traditional” end point PCR
- Isothermal (LAMP) PCR
- Quantitative measurement
- Relative abundance (MT:WT)
- Unbiased + SNP Probe
- Allele specific (mutations, SNPs)
- Zygosity/Copy number (0-5)
- RT-PCR (RNA → DNA)

### *Assays Demonstrated to Date:*

#### Oncology

- KRAS G12D ctDNA
- BRAF V660E
- Mab
- TNF-alpha

#### Infectious Disease

- STI Panel: Ct, Ng, Tv
- MTB
- Salmonella
- Flu H1N3
- Zika (SNP)
- Tetanus

#### Small Molecules

- Lisinopril

#### Hu Dx Genetic Testing

- Fertility (SRY, SMCY)
- Cystic Fibrosis (CFTR delta F508)
- Oral bacteria

#### Crop Science

- Trait quantitation in mixtures

***Detection is purely electrical! Nanopore sensor means: No optics.***

# 5 No extra words: less is more!

Uncluttered: 5 second rule

## *Multiplex 15+ traits from a single sample*

### *Assays Demonstrated to Date:*

#### Oncology

- KRAS G12D ctDNA
- BRAF V660E
- Mab
- TNF-alpha

#### Infectious Disease

- STI Panel: Ct, Ng, Tv
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5

No extra words, no extra colors, lines, boxes!

## Study – Enabling 2 Unmet Needs



### GLYCEMIC WELLNESS (worried well/obese/prediabetics)

#### Range Prediction Alg.

- **Red:** <80mg
- **Green:** between 80 - 180mg/dl
- **Yellow:** >180mg/dl

HBA1C testing  
OGTT (if warranted by PCP)

#### WWE

- Wearables
- watch, jewelry
- wristband
- headband
- glasses
- ....

### GLUCOSE MONITORING (Type-1 & Type-2)

#### Glucose Value Prediction

**BGL: 221 mg/dl**  
**Rate: +1.82mg/dl/min**

Replace both current CGMS and Finger Stick Meters  
Feedback control of insulin pumps

- smart-phone form factor
- clip-on units
- Integrated with pumps
- ↓
- watch



5

**No extra words,  
simplify complexity!**



**>10,000X  
Signal-to-Clutter  
Enhancement  
Achieved**

5

# No extra words, simplify complexity!



Achievement: Better than FDA approved devices



ZYOMED: **12.4% best in class!**

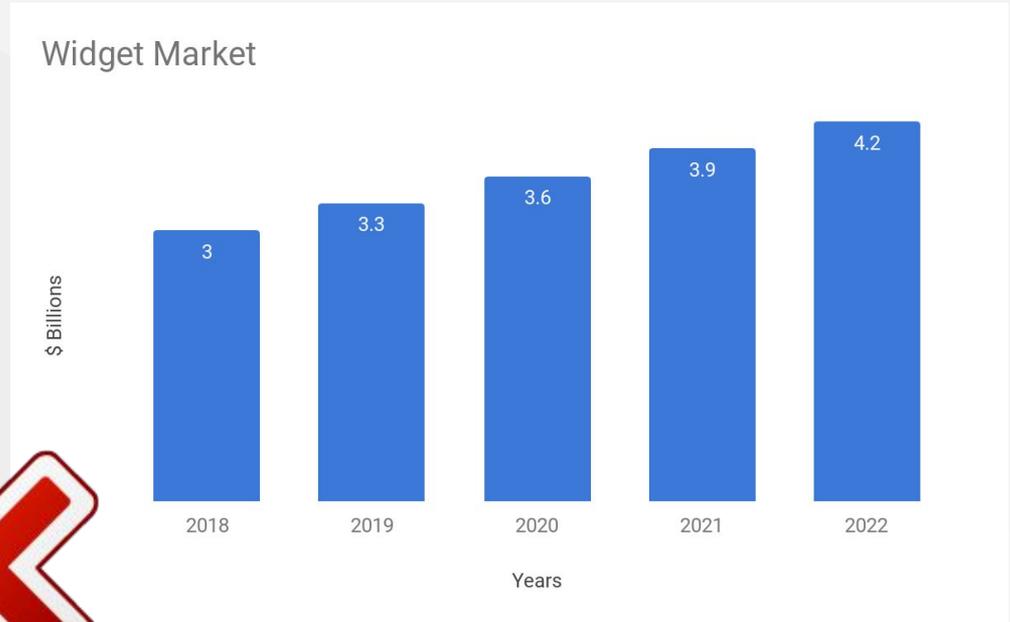
Medtronic: Published MARD: 16%

Dexcom: Published MARD: 13-16%

Confidential |

Human IRB clinical studies at Sansum Diabetes Hospital

## 6 Preferably no top down projections



## 6

# Bottoms up market projection

Credibility matters



	2018	2019	2020	2021
Installed base of widgets	1,300	1,565	1,852	2,157
% that can be updated	10%	15%	20%	25%
Number of updates/year	1	1.5	2	2.5
Price/update	\$5.00	\$5.00	\$4.00	\$3.50
Annual opportunity	\$35	\$221	\$651	\$1,532

# 7 Financials: 7 rows maximum

(\$000)	2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	2011
Unaudited	Actual	Actual	Forecast								
Revenue											
Aftermarket Modules	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2500.0	2500.0
License/NRE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2500.0	0.0	2500.0
Total Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2500.0	2500.0	5000.0
Gross Margin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2500.0	2500.0	5000.0
GM Percent	NA	NA	NA	NA	NA	NA	NA	NA	100%	100%	100%
Expenses											
Compensation											
R&D	2147.5	662.0	757.8	922.0	1074.3	3466.1	1196.0	1324.0	1400.0	1500.0	5420.0
Marketing & BD	0.0	0.0	60.0	120.0	200.0	380.0	240.1	300.0	325.0	340.0	1205.1
G&A	303.5	100.3	96.3	115.0	125.0	436.6	125.0	125.0	135.0	140.0	525.0
Total Compensation	2451.0	762.3	914.1	1207.0	1399.3	4282.7	1561.1	1749.0	1860.0	1980.0	7150.1
Benefits	486.4	102.0	228.5	301.8	349.8	982.1	390.3	437.3	465.0	495.0	1787.5
Consulting	594.4	211.0	117.0	117.0	117.0	562.0	117.0	117.0	117.0	117.0	468.0
Depreciation	175.3	66.6	106.4	127.7	148.9	449.6	165.0	180.0	205.0	230.0	780.0
Other Expenses	1057.2	216.4	376.0	385.0	407.6	1385.0	451.5	451.5	455.0	455.0	1813.0
Total Expenses	4764.3	1358.3	1742.0	2138.5	2422.6	7661.4	2684.9	2934.8	3102.0	3277.0	11998.6
Less: Patent Capitalization	-262.1	-47.6	-75.0	-75.0	-75.0	-272.6	-75.0	-75.0	-75.0	-75.0	-300.0
Net Operating Expenses	4502.2	1310.7	1667.0	2063.5	2347.6	7388.8	2609.9	2859.8	3027.0	3202.0	11698.6
Net Operating Income	-4502.2	-1310.7	-1667.0	-2063.5	-2347.6	-7388.8	-2609.9	-2859.8	-527.0	-702.0	-6698.6
Other Income	21	21	30	40	45	45	50	55	60	60	60
Other Expenses	-477.1	-156.4	-370.0	-370.0	-370.0	-1266.4	-370.0	-370.0	-370.0	-370.0	-1480.0
Other Accruals	-172.8	62.0	0.0	0.0	0.0	62.0	0.0	0.0	0.0	0.0	0.0
Other	33.6	0.0	2.0	1.0	0.0	3.6	0.0	0.0	0.0	0.0	0.0
Cash	7891.7	2682.8	1296.7	15793.1	13413.3	2682.8	10769.6	7879.7	4755.0	3988.0	10769.6
Investment	-5205.3	-1386.1	-2003.6	-2379.8	-2643.7	-8413.2	-2889.9	-3124.8	-2889.9	-267.0	-7698.6
Investment	-3.6	0.0	16500.0	0.0	0.0	16500.0	0.0	0.0	0.0	0.0	0.0
Cash Ending	2682.8	1296.7	15793.1	13413.3	10769.6	10769.6	7879.7	4755.0	3988.0	3071.0	3071.0



7

# Financials: 7 rows maximum; quarters

	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11	Q4'11	Q1'12	Q2'12	Q3'12	Q4'12
Revenue	-	-	-	-	-	-	-	-	950	2,400
COGS	-	-	-	-	-	-	36	36	550	550
OpEx	2,083	3,432	1,679	2,851	2,075	1,604	1,906	1,588	731	1,751
EBITDA	-2,141	-3,489	-1,729	-2,845	-2,129	-1,581	-1,950	-1,459	-394	78
Net Income	25,113	-767	-1,021	-1,600	-433	-307	-1,575	-32	-1,061	-273
Capex	2,355	867	1,116	1,509	255	182	1,396	-	785	21



7

# Financials: 7 rows maximum; 5 years

(\$'000s)	2010 (0)	2011 (0)	2012 (2)	2013 (2)	2014 (6)	2015 (6)
Revenue	0	0	2,800	25,100	79,200	161,100
COGS	300	1,800	4,600	9,200	16,200	21,300
SG&A   R&D	6,800	9,900	6,700	10,800	18,000	28,900
Operating Income	-7,100	-11,700	-8,400	5,100	45,000	110,900
Financing Activity	16,000	26,000	0	0	0	0
	11,400	22,100	5,000	4,700	26,400	89,200



Details in Appendix

8

# What does this say about team?

**Dan Berkenstock**  
Chief Executive Officer

**Julian Mann**  
Chief Technology Officer

**John Fenwick**  
Chief Marketing Officer

**Pierre Lamond**  
Director

**Gordon Eubanks**  
Director

Playbox headcount: 13

### Team Backgrounds



### Space Mission Experience



# State why team is strong?

## Dan Berkenstock | CEO/Co-Founder

PhD - optimal design of spacecraft (NASA/Stanford)  
Space shuttle operations (NASA)

## Julian Mann | CTO/Co-Founder

Co-founded microsatellite communications manufacturer  
Program Manager, Stanford Space Systems Laboratory

## John Fenwick | VP Government/Co-Founder

National Reconnaissance Office: Program Manager  
Stanford University (MBA '09), MIT (MS EE/CS '01)



## Robinson | Director, Image Processing

Co-developed Efficient Multiframe Superresolution Enhancement  
13 patents in image processing and enhancement

## Key Advisors

Mark Leslie  
*Leslie Ventures*

James Cutler, PhD  
*Microsatellite Expert & Professor, Univ. Michigan*

Marc Tremblay, PhD  
*Former VP Commercial Business, DigitalGlobe*

Rob Shanks  
*Former CEO, GlobeExplorer*

## Board of Directors

Pierre Lamond  
*Khosla Ventures*

Gordon Eubanks  
*Independent Director*

Mark Leslie  
*Independent Director*

# Risk management

## Proactive risk mitigation

	Risk	Mitigation
<b>Satellite</b>	<ol style="list-style-type: none"> <li>1. Optic over time &amp; budget</li> <li>2. Satellite build delayed past launch window</li> <li>3. Satellite fails to initialize on-orbit</li> <li>4. Satellite fails to meet 2 year lifetime</li> </ol>	<ol style="list-style-type: none"> <li>1. Firm-fixed price contract</li> <li>2-4. Second satellite built and launched 6 months after first <i>[Dependent on incremental Series B funding]</i></li> </ol>
<b>Regulatory</b>	<ol style="list-style-type: none"> <li>1. FCC licensing</li> <li>2. Export license denial (launch)</li> </ol>	<ol style="list-style-type: none"> <li>1. 2 pre-consultations completed, gov-centric board member</li> <li>2. Top-tier regulatory attorneys</li> </ol>
<b>Launch</b>	<ol style="list-style-type: none"> <li>1. Launch provider delay</li> <li>2. Launch failure</li> </ol>	<ol style="list-style-type: none"> <li>1. Second launch slot 6 months following first <i>[Dependent on incremental Series B funding]</i></li> <li>➔ Insured launch, second satellite built, launched in 6 months <i>[Dependent on incremental Series B funding]</i></li> </ol>
<b>Team</b>	<ol style="list-style-type: none"> <li>1. Hiring: technical team</li> <li>2. Hiring: executive level</li> </ol>	<ol style="list-style-type: none"> <li>1. Extensive technical network</li> <li>2. Current recruiter relationships</li> </ol>
	<ol style="list-style-type: none"> <li>1. Conditional contracts fail to materialize</li> <li>2. Image quality doesn't meet user needs</li> </ol>	<ol style="list-style-type: none"> <li>1. Meetings with lead customers T-24 months from launch</li> <li>2. Optic provider track record</li> </ol>



9

# The ask, the delivered & deliverable timeline...

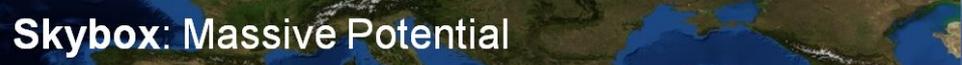
\$xx m Series B deliverables ...

	Completed	Series B	Post Series B
<b>Satellite</b>	Designed	In Space	Scaled to Constellation
<b>Regulatory</b>	NOAA License Granted	FCC License Granted	Constellation Licensing
<b>Launch</b>	3 quotes obtained	Launch Contract/Launch	Constellation Launch
<b>Market Adoption</b>	Google/Microsoft/Oil & Gas/US Government Deep Dives	Initial Revenue	Scale
<b>New Applications</b>	250 Interviews Completed	Beta Testing	Scale



**Unfair advantages:** restate them! Again & again!

# Finish with a flourish!



## Skybox: Massive Potential

### **New business model:**

weekly & daily monitoring of thousands of locations

50x monitoring capacity:

**10x TAM at 80% commercial pricing reduction**

# Appendix: answers to all questions

List all the questions you know might will get

One question / slide: details ok! Complexity ok

Flip to appendix when answering questions

If you don't have an answer prepared offer to get back (no BS)

# Questions Entrepreneurs Ask...

# Questions entrepreneurs ask:

How much do I focus on the big lofty vision vs. current offering?

Climbing Mt. Everest as a Strategy: Base camp first & 100X in steps



# Questions entrepreneurs ask:

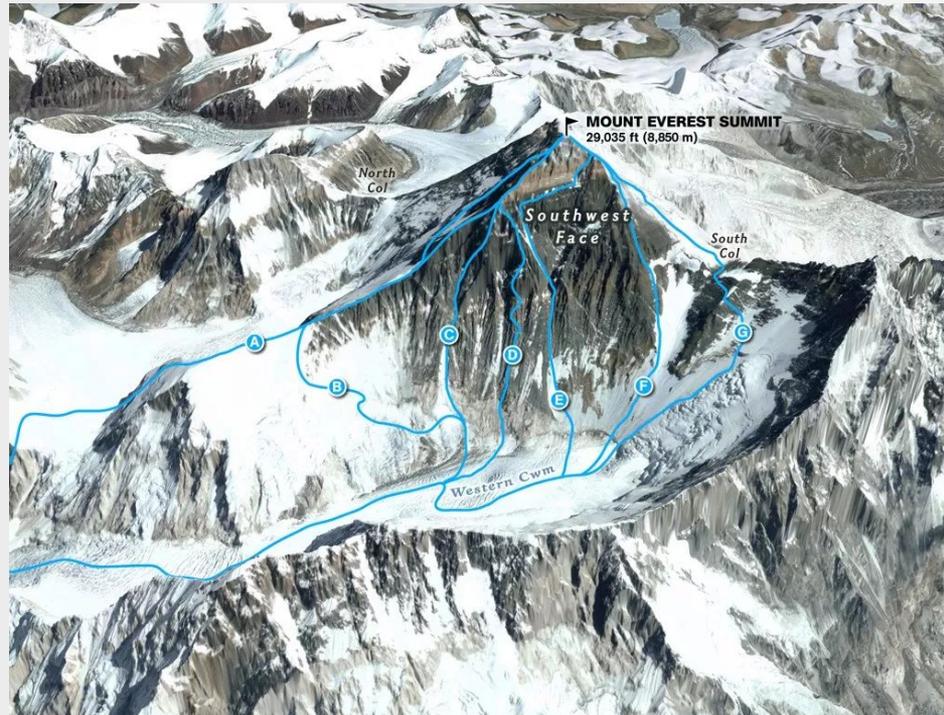
Should I present the many business models possible?

One business model drives the business. It's tempting to list multiple revenue streams but investors generally see a red flag.

The charitable interpretation, is the team doesn't know which one model will work. The bad interpretation is that the team lacks focus.

-Reid Hoffman

Authenticity over focus: If you are not certain don't overcommit to one path; define other paths to Everest



# Questions entrepreneurs ask:

What should be on my metrics slide and how detailed should I be in financial plan in the deck?

Simplify visually; answer essence of your business; only critical numbers

Show Preparedness: Have appropriate detailed tables, charts, figures, graphs, figures to preempt diligence & increase confidence in you

Your company should be a problem solving machine

# Questions entrepreneurs ask:

How much should I put down for the raise?

Demonstrate amount of “ask” will get to a risk reduction or milestone

Ask for just enough capital to get to a milestone that raises the value

Often entrepreneurs ask for too much

You’ll get more if you ask for less & oversubscribe!

# Questions entrepreneurs ask:

How do I best show product offering/ tech?

The “story” of the product & why it's special; go back to doing a 30 second commercial for it

# Questions entrepreneurs ask:

Which investors should I approach & how?

Do your research: who likes what type of investment?

Approach them in sequence with “test investors” first to tune your pitch

Get an introduction thru their entrepreneurs or do a “thoughtful cold email”?

source: <https://medium.com/swlh/how-to-send-the-perfect-cold-email-to-an-investor-edfe9d45475>

# Questions entrepreneurs ask:

Should I do a demo?

**Generally Recommended:** Unless you execute perfectly, a pre-recorded video demo with NO voice and sound; things do go wrong/destroy flow/cadence & take time

... do voice over in real time

# Summarizing the guidelines...

# Guides for your deck

State the problem: Emotion over details

Every title should be a message not a statement or topic

Lots of white space in slide & light fonts to reduce visual complexity

Don't need full sentences, just emphasis when presenting (vs. preread)

One line per bullet usually ; graphics over text

# Guides for your deck: generating confidence

Slide: focus the users eyes to one place, not wander in visual complexity

Avoid declarations without proof or validation; confidence without hubris

Avoid generic statements: “generic \$B of market size insults investor’s intelligence” vs. bottoms up helps

Look, feel, white space & readability matter: get help!

Put details, complexity and Q&A in appendix

# Guides for your deck: details

Fonts, extra words can increase perceived difficulty

Less is more “5 second rule”: flash slide for 5 secs & test takeaway?

Minimum font size 24 pt. for big headings & >18pt. for subheadings

No more than 4 lines per page (maybe 5) & one picture/graphic

Less than 10 words per line generally & <50 words per slide

# Guides for your deck: takeaway

Visceral story not dry facts: steer into reasons to invest or not invest

Cover all risks & contingency for each risk OR list options to test

State what you are asking for and what will be deliverable for the “ask”

Engineer the takeaways (the three above)

Make eye contact for credibility

# Good blogs to read

## **Which investors & how?**

<https://medium.com/swlh/how-to-send-the-perfect-cold-email-to-an-investor-edfe9d45475>

## **Advice from First Round**

<https://firstround.com/review/the-fundraising-wisdom-that-helped-our-founders-raise-18b-in-follow-on-capital/>

## **Advice from Eric Paley, Founders Collective**

<https://medium.com/swlh/20-lines-to-write-before-starting-your-pitch-deck-8dfb29208d78>

## **Advice from Reid Hoffman**

<https://www.reidhoffman.org/linkedin-pitch-to-greylock/>

**Stories, not facts lure investors!**

**Questions?**