How to pitch: Preparing the pitch (Phase 2)

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PITCHING:

to clearly and **convincingly** present
your proposition in
a **few minutes**
Intro and Background
The jury

- Who are they?
- Why are they here?
- What do they look for (screening criteria)?
- How can you best “reach” them?
The pitch is very similar to an investors’ pitch to private VCs... but with some peculiarities...

1. **Why** does the project need *public money* from the EU?
2. **Less pressure on fast ROI**, but where public money is concerned, the jury is looking for other elements
3. There is **no personal connection with the SME-I grant**, and the interview is only about the project, the ability to execute and growth strategy and company’s future in 5-10 years

The uniqueness of the Phase 2 interview
Questions so far ranged around...

1. Technical issues
2. Project implementation
3. Commercialization plan and market access/introduction
4. Company growth
5. Financial structure/financing
6. Team and commitment
Be ready for hard questions, “the devil is the details”...

<table>
<thead>
<tr>
<th>WHAT ...</th>
<th>HOW...</th>
<th>DO YOU...</th>
<th>DOES...</th>
</tr>
</thead>
<tbody>
<tr>
<td>› ...if you do not receive the SME Instrument grant?</td>
<td>› ...do you stand out from competition?</td>
<td>› See any other application areas for your technology? Why have you decided not to address them now?</td>
<td>› ...the team have the capacity as a business creator?</td>
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<tr>
<td>› ...is the decision-making process in your company?</td>
<td>› ...would you like to globalize the technology?</td>
<td></td>
<td>› ...the team have clear statistics/future technology development?</td>
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Organizational Procedure (1/3)

- **Invitation** to the on-site pitch/interview is usually sent to applicants **1-2 weeks prior to the interview** week.
- **Dates are known in advance** (usually a month and a half after the cut-off date).
- The SME will have to **submit** their **completed pitch deck** usually **within 48 hours** of receiving the invitation.
- Once the pitch deck is sent, **NO CHANGES ARE POSSIBLE**.
- **Up to 3 SME representatives** per application are allowed to participate in the interview, **third parties are not accepted**.
- The interview language is **English**.
Organizational Procedure (2/3)

• Interviews take place in Brussels (EASME premises)
• In the waiting room, a list containing the names of the panel experts will be displayed
• As soon as you enter the interview room, the pitch will start
• Your presentation will already be uploaded
• A total of 30 minutes is scheduled per proposal (10 minute for the pitch presentation and 20 minutes for Q&As. NO EXTENSION TO 10-minute pitch is possible.
Organizational Procedure (3/3)

- **7 thematic panels** (proposals assigned to the panels based on the **keywords** in Part A of the proposal)
- Panel composed by a **minimum of 5 experts** (including one briefer)
- After the interview, experts come to a conclusion based on the proposal, the pitch and the clarifications and answers provided during the interview.
3 criteria to assess

✓ IMPLEMENTATION
Does the team have the capability and motivation to implement the innovation proposal and bring it to the market?

✓ IMPACT
Are the business model and commercialisation strategy well thought through? How sound are the financial planning and projections?

✓ EXCELLENCE
Does the innovation have the potential to create a new market or significant impact existing ones? Is the timing right for this innovation?
A **good pitch** is as important as the **innovation** proposed and always **bear in mind the audience**.
Jury wants

- Passion
- Perseverance
- Benefits (Impact)
- Ability to deliver
- Ambitions
Stick to the pitch-deck template recommended by EASME

What did we learn at the elementary school?
A good “composition” (presentation) contains:

- Introduction
- Key content
- Conclusions

And requires “preparation”
Key elements for engagement (1/3)

✓ Choose the most outstanding detail/figure/fact to begin with
✓ A good presentation should not be too wordy
✓ The presentation should be simple, clear, concise and cohesive
✓ Include only the most important facts, numbers and diagrams that “catch the eye”
✓ Make **figures understandable**, do unit calculations and pricing
✓ Balance between **visual vs text**
✓ You can use a **video** to give the audience a feel of the product
✓ Prove that you are **able to raise money from other sources as well**
✓ Make sure the project is presented in a **cost-effective way**
✓ Show that you have had **interaction with your future customers**
✓ Show your project’s EU contribution and its social and environmental impact
✓ Balance between **tech and business**
✓ Explain the **market segmentation** and the **scalability** of your commercial strategy
✓ If there are **IP aspects** in the project, you should explain the scope and status
Get prepared!

Preparing to present the pitch
Make a list of things you want to say

Check the consistence (you may be challenged on gaps/inconsistencies)

Timing is crucial. You will not be allowed to continue after the 10 minutes

Pitch in front of externals who are not familiar with the project (2-3 times)

Film yourself

Prepare in such a way you will speak naturally during the pitch. Do not read!

Practice presenting as a team

The room could be small and crowded

If you have and it is handy, exhibit your prototype and demonstrate it
During the Pitch

- Describe your own innovation in **simple words** which are easy to understand for everyone
- Pay attention to the **body language** and pay attention to the interaction between team members
- Pitching is not acting: **be yourself**
Need to know

**7%** What you say (Content)

**38%** How do you say it (Attitude)

**55%** Body Language

An effective communication is based on:

- **Voice**
- **Body language**
- **Presence**
- **Eye touch**
- **Attitude**
- **Use of the space**

An effective communication is based on:

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An effective communication is based on:
A good pitch is made of...

a) Message

b) Structure

c) Visual story and delivery
10 minutes pitch, containing all is needed to:

- Company purpose
- Problem & Solution
- Value Proposition
- Market Opportunity & Risks
- Competition
- Business Model
- Commercialisation & Marketing Strategy
- Financial Projections
- Team
- Conclusion
Most recommended is a pitch team of 3 team members

✓ The jury will check team cohesion, commitment of all members and management skills of the CEO
✓ The team should prove that it has capacity to execute the project and make it successful, profitable business
✓ If the team lacks skills, you should have a solution prepared
Be ready to answer questions about issues that you did not include in your presentation.

Even the best pitch cannot “save” you if you do not convince with your answers during the Q&A.
• **Consistency** is crucial:
  • 1 font style
  • 1 animation style
  • 1 small and coherent set of colours
• Avoid **slow start** (first 30 seconds are crucial)
• **Don't rush it** — make time for face-to-face contact
• Make sure that you're not **holding your breath**, use pauses
• **Listen before you speak** — even if you don't agree
• **Respect time**
It is recommended to check EASME’s website and communication channels for updated info.

Meet the innovators
The company’s perspective
Practice!!!

“the more I practice, the luckier I get”
(golf player)
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www.meta-group.com
Background materials
Example: Informal investors – Expectations and criteria

Business Angels
(informal investors and Spin-off corporate venturing)

• Atmosphere of trust between individuals and positive feeling, confidence (+)
• Possibility of hands on intervention
• Credible business plan in the eyes of the Business Angel
• Availability of exit route
• Return on investment (capital gain)
Example: Early stage investors – Criteria

Seed capital fund

- Team (+)
- Clear, defendable Business model
- Intellectual capital
- Growth potential (High)
- Availability of exit route
- Return on investment (capital gain)
Example: Investors – Criteria

Venture Capitalist

• A young, small venture, still needing money
• A well run-in team
• Fast growing markets
• Scalable products
• Client list & track record (+)
• Return on investment (capital gain)
• Minority shareholding position Team (+)
Example: Later stage investors – Criteria

Buy-out

• Consolidated companies with a well defined portfolio of clients and products
• **Assets (+)**
• Well known sectors
• ROI: 2-3X
• Control position
• Mainly debt capital