

# Putting The Razzle Dazzle into your Presentations

Fiona Brown and Sue Charles

If you are a private biotech company looking for money at the moment, however good you think your science is or however highly you rate your management team, what wins every time when you get in front of a venture capitalist is presentation, presentation, presentation.

Can it be that there is anything still to learn about the corporate presentation? The CEO has trodden the boards of all the leading investment conferences and you already have a series A, financing under your belt. Now it's time for the next round, and the need to attract new investors. Are there any new tricks you could learn on the art of presenting your company as a good investment bet?

The climate for finance at the moment is still arctic and although the market indices may be warming up we are a long way from an out and out thaw. So it's not an unfamiliar sight to see biotech companies returning battle wearily from an unsuccessful funding round, often lasting months, or even years. And it gives one pause to wonder how effective their presentations were.

A funding round is expensive in terms of executive time and it inevitably distracts the CEO from the main job of driving the business forward. The Private Placement Memorandum (PPM) demands a great deal of effort to craft the case for funding. The PowerPoint presentation in front of the VC panel is then the 'coup de grace'.

So keep in mind from the outset that the PPM, the executive summary and the PowerPoint presentation are all selling documents. Too many companies still write the PPM as if it's the operational business plan.

## Summarise, summarise

When your lead investor calls his/her, A, list of venture capitalists, it is a smart move to follow up with a one page summary that encapsulates your company's offering. This type of summary is even more important in later funding rounds when you usually make your own approaches to VCs and private equity houses.

Where the executive summary is a distillation of the PPM, the one pager is a distillation of the executive summary. It needs to be punchy, pertinent and very much a selling document.

VCs tell us that this one page 'taster' is enough to determine whether your application will progress any further, and that is before anyone even opens the PPM.

## One page summary

The information can be arranged as a list of key facts after a short introduction. Points to cover are:

- Type of company and business model (drug discovery, service, instrument)
- Company USP (unique selling proposition)
- The product pipeline
- Intellectual property portfolio
- Achievements to date including money raised
- Partnerships
- The team
- Commercial plan that will lead to market / profitability / exit
- Money needed, application of funds and milestones

## Simplifying the science

Describing the second key fact – the science, the technology platform – what it is that distinguishes you from your peers – can still be a stumbling block. Sam Williams, biotechnology analyst at Lehman Brothers and former investment banker, says, "It beggars belief that biotechnology companies can stand in front an important audience and fail to summarise their science in an accessible way."

## The Private Placement Memorandum

Concise is nice. All too often density is mistaken for description. Rambling on until you have put in every last thought on your subject is not the way to convince an audience. Once you have the magic words, don't cram too many of them on a page in the vain hope of producing an apparently shorter document.

Certainly it is worth considering getting the layout of the one-pager professionally designed and ideally that also applies to the whole PPM. As Northbank's director in charge of design, Peter Colley, says, "Less is more when it comes to presenting words on a page. After all the effort of putting a document together good design and typography can make the difference between something leaping off the page or drowning in a welter of black ink. It pays to be brave and indulge in some white space."

## On the road

If the PPM does its job you will be on the road and presenting your story and bid for finance in person. Preparation of the PowerPoint presentation you will use in these presentations requires a different mindset to the PPM. That document has told the full story, now we move into presentation skills and content.

The PPM, if it turns out to be faulty, cannot be recalled and re-written. But the PowerPoint presentation can be adapted and changed around to take account of feedback. When Northbank

provides communications support in funding rounds we follow up clients' first two or three presentations to get feedback for how well the proposition came over. These informal enquiries tend to result in fairly honest appraisals and are relayed back to clients and used to improve the presentation. Obviously it is better to get the impact right first time.

### Think 'return on investment'

So, what are the guidelines? It's a saying in marketing that advertising only ever reaches the people who want to buy. Standing in front of venture capitalists, you already know they want to buy something, just make sure it's you.

This requires thinking from the outside in not the inside out. Think like a marketing person not a scientist and even more so think like a financier, not a scientist. The venture capitalist wants to hear about the science and market potential, but he/she particularly wants to know how you plan to make the two things meet in the middle to achieve a profit or provide the VC with an exit. In other words, have you adequately thought through the business model or operational strategy to make yours a viable company and theirs a viable investment.

As Kate Bingham, general partner, Schroder Ventures Life Sciences, says, "It used to be enough to have brilliant science and a ten year plan to burn cash – investors were not focused enough on the end game, just the returns along the way. Now we know the route is rocky so a cash burn proposition is not acceptable. What we want to know is how can the science be commercialised and what is the business model to create a sustainable company."

### Dynamism

In the presentation, two things are happening: the VCs are looking at the PowerPoint presentation and they are looking at you. Not everyone or every CEO can have the razzle dazzle of the film Chicago's Billy Flynn, so sometimes it is necessary to call for back-up. First stop is the presentation.

### Challenging the message sequence

If you only had time to show eight of your 20 odd slides (after the title), current practice stipulates that these items must go in and in this order:

- (Title slide)
- Mission
- Market challenge/opportunity
- The founders
- The science (many slides)
- Progress/pipeline
- Operational strategy
- Money needed and why
- Summary

Fig 1. The old order

This order, however, gives no pace, no pizzazz, no rising to a crescendo. Chances are that even by slide four your venture capitalist can't tell your presentation from the one he just heard.

So do I dare and do I dare... throw this order to the winds and really hit them between the eyes?

Title	Mission	Marketing challenge	Opportunity	Founders
Science	Progress/pipeline	Operational Strategy	Money why needed?	Summary

Table 1: The old order

### Be prepared to sell

It goes like this. Walk into the room, don't switch on the presentation (yet). Put your things down and look the main man/woman in the eye and say,

"I am going to tell you how we will be making 200 million in five years time, 300 million in six years and increasing sales by thirty per cent a year thereafter. We have some red hot technology, an ace team and I am here to ask for a mere six million to help us on our way. Let me tell you how we will do this and then I'll tell you more about the science."

- Switch on the computer. Then the new order goes like this:
- Title slide: 300 million in five years. Company X
- The science (just one slide, keep the others for later)
- Operational strategy (this is the story of how you get to the 300 million)

After which you say, "And having worked out the financial mechanics, this is why we are so convinced that the science will carry it."

- Market challenge/opportunity
- The founders
- Progress/pipeline ("we have already got this far")

End on a high point of enthusiasm, "We think this company is a winner. We know it can be done. There's a distinct clinical challenge, we most definitely have the technology and the right team to meet it. To succeed we need the money."

Title	Science	Operational Strategy	Market challenge	Opportunity
Founders	Progress/Pipeline	Summary	Mission	

Table 2: The New Order

Last two slides are summary and mission. The mission statement can be left on for a few minutes at the end. It will now have more meaning for the audience. And if they have bought into your story, this will be a mission you will pursue together.

### **Professionalise**

So the PowerPoint presentation has two parts to it: content and how you present it. Having looked hard at the best order for the presentation, then consider the look of it on the large screen. We are all PowerPoint experts now, but there is a very obvious difference between the look of a doubtless competent in-house presentation as opposed to a professionally designed show. Again call in help from the experts, it will pay dividends.

Likewise, on your style of presentation, if you personally can't pull off the dazzle you can get help. There are excellent presentation training 'shops', often run by professional actors, that will transform your delivery in minutes. No one is suggesting that venture capitalists are not going to pull the facts and figures apart, but remember, you may think they have already ploughed through your PPM but the chances are that only one person in that room will have read it in detail. The rest will have skimmed it and are looking for the dazzle before committing their time to the full read.

So they have an idea of the story, now they need to be sold on it. They also want to be impressed by the people they see standing in front of them. Some teenagers were asked recently what the Catholic Church needed to do about the weekly mass to make more young people attend. The answer was, "Cheer up!" They reckoned everyone in the congregation always looked so miserable, it didn't make the process very inviting.

So sales techniques can work. Use an old theatre trick and have a warm up guy open proceedings. It may just be the chairman – but perhaps he/she is more personable than the CEO. Could they make a strong attention-grabbing start to the proceedings?

Or bring on the founding scientist if he/she is an impressive name in the field and can explain their own science well. It's also another way of demonstrating the cohesion of the team as a working unit.

Make the story more real. Have the product there. At the end of the presentation, while the mission statement is on the screen, walk round the table and put the box or bottle in front of each person and say, "This is what the product looks like. It's a first -and it's going to make a lot of money."

### **In conclusion**

Once you have taken your story to, say, ten venture capitalists in your own country, if they don't buy into it, word gets around the VC community and it becomes too damaging to start approaching any new investors. That is why it is so crucial that once in front of people who may hold the future of your company in their hands, you really do give it your best shot.

So remember – summarise, professionalise and SELL.

*Fiona Brown, Account Director, and Sue Charles, Chief Executive Officer, can be contacted at Northbank Communications Ltd, The Media Centre, 131-151 Great Titchfield Street, London W1W 5BB. Tel +44 (0)207 886 8150. Fax +44 (0)207 886 8150, Emails: f.brown@northbankcommunications.com; s.charles@northbankcommunications.com. Northbank Communications' website is at www.northbankcommunications.com.*