

Instructions for SCRA
Pitch Deck Template

General Instructions

Follow

Follow the Outline - *Required*

- Table of contents details the slides our review committee expects to see

Use

Use the Presentation Template – *Recommended*

- These fully editable slides are provided to help make your pitch successful
- If you already have pitch deck that covers these topics, you may use it

Submit

Submit Your Deck in Advance – *Required*

- Submit your deck to us for review and feedback 2-3 weeks prior to your presentation

Pitch Deck – Table of Contents

1. Company Overview
2. The Team
3. The Problem
4. Your Solution
5. Intellectual Property
6. Market Opportunity
7. Path to Market
8. Competitive Position
9. Key Milestones & Timeline
10. Exit Strategy
11. Benefits to South Carolina
12. Pro Forma Financials

20 Minutes – Presentation

10 Minutes – Financials and Q&A

Additional slides if you are requesting grant funds:

11a. Grant Project Summary

11b. Use of Funds

11c. SBIR/STTR Information

11d. Relocation Grant Information

11e. Due Diligence

Using SCRA's Editable Template

1. For some slides, you have an option of multiple designs. Select the design you prefer and remove the others from your final version.
2. Within slides, feel free to expand or reduce the number of "items/bullets."
3. To insert pictures, right click on the default image and select "Change Picture."
4. In addition to these editable slides, SCRA provides an Excel Pro Forma Financial Template.

Additional Pitch Deck Resources

- <https://slidebean.com/>
- <https://www.ycombinator.com/library/4T-how-to-design-a-better-pitch-deck/>
- <https://visme.co/blog/best-pitch-decks/>
- <https://articles.bplans.com/what-to-include-in-your-pitch-deck/>

Tips for a Successful Pitch

Do's

- Limit your deck to 10-15 slides
- Show proof of market opportunity to convince your prospects
- Demonstrate that you are aware of your competition
- Outline your milestones and progress

Don'ts

- No wordy slides. Use bullet points, charts, or pictures
- Don't share scientific detail. Use Appendix for supporting information
- Don't present everything in your deck. Highlight the most important details that you think investors need to know

Title Page

“The ask” should be one of the following:

- Request to become SCRA Member Company
- Request Grant Funding – specify grant type and requested amount
- Request to enter Due Diligence for SC Launch, Inc. Investment

1. Company Overview

Edit as needed to describe your company:

- Company History
- Industry Focus
- Key Markets/Industry Verticals Served
- Location/Facilities
- Today's Presenter

2. Our Team

- Provide names, descriptions and photos (if available) for core team (full-time and part-time)
- Also list extended team members who currently may not be receiving a salary
 - Advisory Board / Board of Directors
 - Key resource partners
- It's okay to have a few unfilled team member slots

3. The Problem

- What problem are you solving/addressing in the market?
- Describe in layman's terms
- Highlight the pain points in the market

4. Our Solution

- What does your product do?
- Focus on what it is and not how it works
- What proprietary technology is used?
- Where is it designed and developed?
- How does the product fit within SCRA's key technology sectors (Life Sciences, Advanced Materials and Manufacturing, Information Technology)?
- **It helps to insert annotated drawing, diagram, picture or other graphic representation**

5. Intellectual Property

USE THIS SLIDE IF YOU DID NOT ADDRESS INTELLECTUAL PROPERTY IN “*Our Solution*”

- Overview of all intellectual property (pending patent applications, issued patents, copyrighted works, and trade secret)
- Designate what i.p. is owned by the company versus another entity
- If i.p. is owned by another entity, address the licensing status

6. Market Opportunity

- Calculate the magnitude/prevalence of the problem
- Provide clear, compelling evidence
- Identify the size of the market opportunity:
 - Total addressable market (TAM)
 - Serviceable addressable market (SAM)
 - Serviceable obtainable market (SOM)

Note: The next two slides provide guidance on calculating market opportunity

Guidance on Calculating Market Opportunity

TAM (Total Addressable Market) – How big is the largest possible market?

- TAM refers to the total market demand for a product or service. It's the maximum amount of revenue a business can possibly generate by selling their product or service in a specific market. Total addressable market is most useful for businesses to objectively estimate a specific market's potential for growth.
- According to [MIT's Global Startup Labs program](#), the best way to calculate total addressable market is by running a bottom-up analysis of an industry. A bottom-up analysis involves counting the total number of customers in a market (which you can do by adding up the amount of customers each company in this market has) and multiplying that number by the average annual revenue of each customer in this market.

SAM (Serviceable Addressable Market) – What proportion of that market fits you?

- Unless you're a monopoly, you most likely can't capture the total addressable market for your product or service. Even if you only have one competitor, it would still be extremely difficult to convince an entire market to only buy your product or service. That's why it's crucial to measure your serviceable available market to determine how many companies would realistically benefit from buying your product or service.
- To calculate your serviceable addressable market, count up all the potential customers that would be a good fit for your business and multiply that number by the average annual revenue of these types of customer in your market.

SOM (Share of Market) – What proportion of that market can you reach, considering competition, trends, capital requirements, etc.?

- Share of market is the size of your actual customer base or the realistic percentage of your serviceable addressable market that you can capture. This figure can help you predict the amount of revenue you can actually generate within your market.
- To calculate share of market, divide your revenue from last year by your industry's serviceable addressable market from last year. This percentage is your market share from last year. Then, multiply your market share from last year by your industry's serviceable addressable market from this year.

Guidance on Calculating Market Opportunity (continued)

There are three methods used to calculate the total addressable market.

- **#1 Top Down.**

A process of elimination that starts by taking a large population of a known size that comprises the target market and using it to narrow down to a specific market segment. This method uses industry research and reports to get the estimates of the population.

Example: A start-up technology company offers an app targeting small businesses that cannot afford premium accounting software. The company relies on industry research that shows that there are 1 billion businesses around the world, out of which 30% lack access to premium accounting software ($30\% \times 1 \text{ billion customers} = 300,000,000$ potential customers). Research shows 90% of businesses that do not use a premium accounting application employ an in-house full-time accountant. It brings the number of potential businesses to $10\% \times 300,000,000 = 30,000,000$. If the business is offering the application for free but with subscriptions of \$100 per year, the estimated total addressable market is \$3 billion ($30,000,000 \times 100$). *(All the figures used are based on assumptions).*

- **#2 Bottom Up.**

More reliable because it relies on primary market research to calculate the TAM estimates, e.g. current pricing and usage of a product. The advantage of using this approach is being able to explain why you select certain customer segments and leave out others.

Example: A startup company with a free accounting mobile app and annual subscriptions worth \$100 can take a reasonable estimate of the number of businesses in its target market to obtain the TAM.

- **#3 Value Theory.**

Relies on an estimate of the value provided to customers and how much of that value can be reflected in product pricing. A company estimates how much value it can add and why it should capture this value through the product pricing. Value theory is used to calculate TAM when a company is introducing new products into the market or cross-selling certain products to the existing customers.

Example: Estimating Uber's addressable value. Users opting to use Uber enjoy the option of driving themselves, using public means or taking the competitor's taxis. Since users are willing to forego all these alternatives and take an Uber, the company can estimate the value that these users derive from using the Uber and determine how to capture the value in its pricing.

7. Path to Market/Sales Model

- How do you make money? Who are your customers? What is your pricing model?
- Show how the product or service gets to end customers and how organizations along the value chain to the customer will be convinced
- For regulated products, specifically address the regulatory pathway and potential costs involved
- For medical device and diagnostics companies, address reimbursement
- Show how your company finds and attracts customers, then moves them from awareness to purchase
- What is your sales cycle, hit rate, and customer acquisition cost?

8. Competitive Position

- Who are your competitors and how are you positioned against them?
- One way to outline the competition is a table showing your product features versus your closest competitors to highlight how your product is differentiated

9. Key Milestones & Timeline

- Use a Gantt Chart to illustrate schedule of key milestones on your path to commercialization and profitability
- Indicate which milestones you have already achieved by using a different color or pattern
- Speak to key hurdles and how you will address them
- On the right, include actual costs of milestones already achieved and projected costs to achieve future milestones

10. Exit Strategy

- Acquisition category – identify potential exit routes; types/categories of companies that could acquire you and why
- Name potential exit partners and how acquisition fits into their strategy
- What is your latest thinking on exit timing?

11. Benefits to South Carolina

- Describe benefits your company creates for the state
- Some examples are:
 - Job creation
 - Generation of taxable corporate revenue
 - Translation of university research
 - Attracting additional investment dollars into the state
 - Other potential benefits (e.g. addressing a significant, unmet need for the population)

11a. Grant Project Summary

- Provide the following details about your grant proposal:
 - Project title
 - Description of the work plan – In non-technical terms, briefly describe the main components of the work plan for this funding opportunity
 - Milestones and metrics – Outline the milestones for your work plan. What does success look like? How will you know?
 - Timeline for deliverables – Explain the timeline for deliverables by your company and all contractors, subcontractors, consultants.
 - Projected impact of funds – Describe the projected impact of funds on the scope and success of the project.

11b. Use of Funds

- Include a high-level budget and description of how the funds will be deployed.
- Are you contributing funds to execute the stated deliverables?

11c. SBIR/STTR Information

- Provide details about your Phase I grant: awarding agency, amount, and performance period.
- List the aims of your SBIR/STTR Phase I award and SCRA's Matching Grant to highlight how SCRA grant funding will improve your company's ability to secure a Phase II grant.
- When do you intend to file for Phase II?

11d. Relocation Grant Information

Projected Revenue and Job Growth

- List current year and project over the next 3 years

11e. Due Diligence Information

Use of Investment Funds

- Who is the lead investor?
- What is the total raise? What is the raise this round?
- What is the requested investment amount from SC Launch, Inc.?
- How do you plan to use the investment funds?

12. Financials

- SCRA provides an Excel Pro Forma Financial template (standard financial estimating model)
 - After completing the Pro Forma template, insert a photo of Income Statement and Cash Flow into pitch deck
- Alternatively, you may provide balance sheet, income statement, and statement of cash flows
- Be prepared to speak to the following:
 - How much cash has been invested to date and by whom (e.g. founders, investors, ...)?
 - What's your working capital today?
 - Approx. company valuation? Include cap table if available.
 - What have you raised to date and what are your funding needs for next 6 and 12 months?
 - Top line revenue should have both top down and bottom-up granular back-up support by target market segment / revenue streams and if applicable global geography.
 - Costs should have back-up basis by standard accounting cost center format.
 - Financing and revenues must align with real working capital needs.
 - Be fluent in cost/timing/units needed to get to break even.
 - Speak to current funding, exit plans or longer-term strategies.

Optional: Appendix

- You may create additional slides as an appendix
 - There may be some special situation or compelling point you want to make to support your company's case
 - You may refer to these slides in your presentation if time allows
 - Regardless, they will be reviewed by SCRA prior to your presentation
- You may also choose to insert data-based slides in an appendix, particularly if you anticipate a need to address crucial data sets in order to respond to questions