

MTIP THOUGHTS AND TIPS FOR A GOOD INVESTOR PRESENTATION

As part of its company screening activities, MTIP is reviewing and listening to a lot of pitches, which are not always meeting our expectations. Therefore, here are our tips for entrepreneurs pitching investors, because you never get a second chance to make a first good impression!



When you are starting a presentation about your company, focus on the following parts:

1. Setting the scene: Describe the current environment and its related challenges and pain points.
2. The unmet medical need: It must be clearly identified in order to demonstrate how you are solving the issue and why your product is better than its competitors.

At the beginning of your presentation, the entrepreneur must be able to present the value his company is adding to stakeholders, because healthcare is a value-based market. In comparison with a consumer business, where prices and trends play an influential part, successful healthcare devices or software focus on the value for its users.

Therefore, only “must-have” solution can survive, because insurance will never pay for “nice-to-have products”, as the general constraint on the healthcare spending is just accentuating this fact.



Entrepreneurs have to support their claims by showing (clinical) validation data. In case you do not have data yet, present a plan about how you want to collect it.

The goal is to show that your solution has a competitive advantage and you are able to secure it. Therefore, patents are critical for any medical device technology. If your company is working in the digital health sector, a proprietary data set to train your machine-learning is a valuable resource, as well as an existing customer network which is using your software. These kinds of assets add a lot of value to your company and need to be brought forward because they help to de-risk the investment in the investor’s eyes.



The PLAN and the VISION

A good value proposition with a sizeable cash amount is not equal to success. The cornerstone is to demonstrate a reasonable, feasible plan, and to show why you have the right capabilities to execute the plan and your vision.

A good roadmap includes the value inflection points, usually defined by target milestones, their related activities, and how the money raised is allocated over the time.

This planning exercise is important and often underestimated by the companies, but it provides clarity and tangible facts included in the investment thesis of an investor.

Even if everybody knows, it will never run 100% accordingly to the plan, this examination allows the entrepreneur to identify his risks and challenges, in order to be better prepared for the company's future. Exit scenarios need to be addressed with potential future buyers and timeline, because most venture capital funds are closed-end (normally 8 to 10 years lifespan), which means they need to be liquidated in a certain timeframe. Keep in mind that exit triggers the venture capitalists strategy!

Finally, big attention is put on the management team and their ability to run the plan. An early stage company requires usually a lot of R&D and project management skills where typical engineer profiles are expected. Once the company is close to market entry, different knowledge and expertise are required, such as sales and marketing skills. Technical CEO might be strongest in early stages of the company but once it comes to market entry and commercialization, they either need to be able to switch hats or prove that they have the right team members to support them



The FINAL WORD

The first interaction between an entrepreneur and an investor will start at two different sides of the table but might end up side-by-side, in the same boat! At the end of the journey, transparency, honesty and open communication are essential to row faster together.

